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GENERAL ASSEMBLY

of the

COMMONWEALTH OF KENTUCKY

Regular Session of 1980

Volume II

Held in the State Capitol in the Capital City of Frankfort, at
Frankfort, in the Year of Our Lord 1980, and
in the One Hundred and Eighty-eighth
Year of the Commonwealth

Begun on the Eighth Day of January, 1980, and Adjourned
Sine Die on the Fifteenth Day of April, 1980

WEDNESDAY, MARCH 19, 1980

FORTY-SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Reverend John Doyle, Saint Matthews Covenant Church, Louisville, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Maynard.

Representative Isler moved that absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 18, 1980, be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 122, by Representative Little: A RESOLUTION designating March 19, 1980, as "Ervin Stepp Day" throughout the Commonwealth of Kentucky.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Banking and Insurance: **SB 231, SB 239, SB 270, SB 302, SB 357.**

Cities: **SB 151, SB 291, SB 295, SB 321.**

Counties and Special Districts: **SB 327, SB 349, SB 353.**

Education: **SB 299.**

Energy: **SB 389.**

Health and Welfare: **SB 342, SR 51, SR 58.**

Judiciary: **SB 23, SB 251, SB 305, SB 309.**

Labor and Industry: **SB 296.**

Natural Resources and Environment: **SB 192, SB 333, SR 48.**

State Government: **SB 290, SR 53.**

Transportation: **SB 298, SB 332, SB 381.**

Appropriations and Revenue: **SB 139.**

Report of Committees

The Committee on Counties and Special Districts reported **HB 747** with Committee Amendment attached thereto, **HB 817** with Committee Amendment attached thereto, **SB 44** with Committee Amendment attached thereto, **HB 672** with Committee Substitute attached thereto, and **HB 856** with Committee Substitute and Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

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HB 747, AN ACT relating to special districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO READ AS FOLLOWS:

As used in this Act, the word "district" shall mean any board, commission or special district created pursuant to the following statutes: KRS 66.610 to 66.650; KRS 75.010 to 75.260; KRS 104.450 to 104.680; KRS 108.010 to 108.070; KRS 184.010 to 184.300; KRS 220.010 to 220.613; KRS 249.510 to 249.631; KRS 266.010 to 266.990; KRS 267.010 to 267.990; KRS 268.010 to 268.990; or KRS 269.100 to 269.270.

SECTION 2. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO READ AS FOLLOWS:

(1) Upon receipt of a petition and following a public hearing as provided in this section, the fiscal court may alter the boundaries of a district by reducing its area, or may dissolve a district if that district has for a period of two (2) consecutive years failed to provide the services for which it was established, or if all or a portion of such services have been provided by some other entity. If the district is located in more than one (1) county, the fiscal court of each county containing a portion of the district must vote to dissolve the district before such dissolution may take effect.

(2) Upon receipt of a petition signed by at least thirty percent (30%) of that class of citizens who may by law petition for the creation of the district, the fiscal court shall schedule a public hearing on the matter of alteration or dissolution and advertise such hearing as provided in KRS 424.130.

(3) The petition shall be in substantially the following form: "The undersigned (registered voters, qualified voters, freeholders or landowners as determined by subsection (2) of this section) living within (name of special district and containing a metes and bounds description of the district) hereby request that the fiscal court consider the alteration or dissolution of (name of district) pursuant to this section." The petition shall conspicuously state in layman's terms that any legal obligations of the district must be satisfied before the district can be dissolved and that the citizens of the district shall be responsible for the satisfaction of any such obligations. Signatures on the petition shall be dated, the last no later than ninety (90) days after the first.

(4) At the hearing, the burden of proving that the district is providing or taking substantial steps toward providing the services for which it was created, or that no other entity is providing the service, shall be upon the district board of directors. In determining whether to alter, dissolve or to take no action in regard to the district, the fiscal court shall consider testimony offered at the hearing and any other relevant information including but not limited to the following:

(a) Present and projected need for the service provided by the district;

(b) Population density of the district;

(c) Existence of alternate providers of services;

(d) Revenue base of the district such as assessed valuation, bonding capacity and user fees; and

(e) Consequences of alteration of the district's boundaries on the effectiveness and efficiency of the district.

(5) Within sixty (60) days following the hearing, the fiscal court shall set forth its written findings of fact in approving or disapproving the alteration or dissolution of the district.

(a) If the fiscal court determines to dissolve a district, it shall determine a method to satisfy any legal obligations of the district which might be affected thereby. Upon satisfaction of its legal obligations, the district shall be legally dissolved; any special ad valorem tax imposed by the district shall be removed from the tax rolls by the county clerk; and any assets of the district shall be assumed by the county.

(b) If the fiscal court determines to alter the boundaries of the district, it shall draw the new boundaries of the district and determine the proportional amount of existing legal obligations of the area which is to be excluded from the district. Upon the satisfaction of such obligations, the new boundaries of the district shall be legally effective and any affected taxpayers shall be removed from the tax rolls of the district.

(6) If the final decision of the fiscal court or the circuit court, in the case of an appeal as provided in Section 3 of this Act, is against the alteration or dissolution of the district, no attempt to alter or dissolve the district pursuant to this section shall be made within three (3) years of the decision.

SECTION 3. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO READ AS FOLLOWS:

(1) Any petitioner or member of the district board of directors may, within thirty (30) days of the fiscal court's decision, appeal an adverse finding of the fiscal court to the circuit court in the county containing the greater part of the district. The circuit court shall review the decision of the fiscal court but shall

reverse the decision only if such decision is found to be arbitrary or capricious. If the circuit court reverses the decision of the fiscal court by ordering the alteration or dissolution of the district, it shall direct the fiscal court to determine, as provided in subsection (5) of Section 2 of this Act, a method for satisfying any legal obligations of the district which might be affected thereby.

SECTION 4. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO READ AS FOLLOWS:

(1) A district may be dissolved by a referendum as provided in this section.

(2) Persons seeking dissolution of a district shall submit a petition to the county clerk signed by at least fifty percent (50%) of that class of citizens who may by law petition for the creation of the district.

(3) The petition shall be in substantially the following form: "The undersigned (registered voters, qualified voters, freeholders or landowners as determined by subsection (2) of this section) living within (name of the district and containing a metes and bounds description of the district) hereby request that the question of the dissolution of the district be put to a referendum." The petition shall conspicuously state in layman's terms that any legal obligations of the district must be satisfied before the district can be dissolved and that the citizens of the district shall be responsible for the satisfaction of any such obligations. Signatures on the petition shall be dated, the last no later than ninety (90) days after the first.

(4) If the county clerk determines that the petition is in proper order, he shall certify the petition to the fiscal court. The fiscal court shall direct that the question be placed on the ballot at the next regular election held more than sixty (60) days from the certification of the petition. The fiscal court shall bear the costs of advertising and placing the question on the ballot.

(5) The county clerk shall advertise the question as provided in KRS Chapter 424 and shall prepare the question for the ballot. The ballot shall contain the following admonition to the voter: "The (name of district) may have existing legal obligations that must be satisfied before the district can be dissolved. The citizens of the district shall be responsible for the satisfaction of any such obligations." The question of the dissolution of the district shall be placed on the ballot in substantially the following form: "The (name of the district and containing a metes and bounds description of the district) should be dissolved." The voter shall vote "yes" or "no".

(6) Registered voters eligible to sign a petition for dissolution as provided by subsection (2) of this section shall be eligible to vote on the question of dissolution.

(7) In referendums under this section, provision shall be made for those opposing the dissolution of the district to have equal representation with the proponents of the measure in the determination of eligibility of voters, and in the observance of canvassing and certifying of the returns.

SECTION 5. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO READ AS FOLLOWS:

(1) If a majority of those voting in the referendum as provided in Section 4 of this Act favor the dissolution of the district, the district shall, upon satisfaction of its legal obligations, be dissolved by order of the fiscal court, any special ad valorem tax imposed by the district shall be removed from the tax rolls by the county clerk and any assets of the district shall be assumed by the county.

(2) If a majority of those voting in the referendum oppose the dissolution of the district, no attempt to dissolve the district pursuant to Section 4 of this Act shall be made within five (5) years of the election.

SECTION 6. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO READ AS FOLLOWS:

Multi-county districts may be dissolved when each member county follows procedures defined in Section 4 of this Act.

SECTION 7. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO READ AS FOLLOWS:

Any member county of the district may withdraw its membership after following the procedures defined in Section 4 of this Act. The district shall continue to function after such withdrawals, with its boundaries consisting of the remaining county members. No county may withdraw from any district unless it satisfies its part of all contractual obligations assumed by the district prior to the passage of its resolution to the satisfaction of the board.

The Committee Amendment No. 1 to **HB 747** is as follows:

Amend printed copy of **HB 747** on page 8, after line 11, insert the following:

"Section 8. KRS 74.367 is amended to read as follows:

(1) At any time after the organization of a water district, and after approval by the utility regulatory commission in a proceeding similar to that provided by KRS 74.015, more than fifty percent (50%) of the freeholders within the district [and a majority of the commissioners of the district] may file a petition with

the county judge/executive who had jurisdiction over the organization of the district requesting discontinuance of the water district. The petition shall state the reasons for discontinuance and that all obligations of the district have been met and that approval of the utility regulatory commission has been obtained.

(2) After giving notice as provided in KRS chapter 424 the county judge/executive may conduct such hearings on the petition as may be necessary to assist in making a determination.

(3) If, after hearings on the petition for discontinuance of the district the county judge/executive determines that a discontinuance is in the best interest of the residents of the district, the water district shall be dissolved by order of the county judge/executive and a copy of the order shall be forwarded to the utility regulatory commission.

HB 817, AN ACT relating to local government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 67.083 is amended to read as follows:

(1) It is the purpose of this section to provide counties as units of general purpose local government with the necessary latitude and flexibility to provide and finance various governmental services within those functional areas specified in subsection (3) of this section, while the general assembly retains full authority to prescribe and limit by statute local governmental activities when it deems such action necessary.

(2) The fiscal court of any county is hereby authorized to levy all taxes not in conflict with the constitution and statutes of this state now or hereafter enacted.

(3) The fiscal court shall have the power to carry out governmental functions necessary for the operation of the county. Except as otherwise provided by statute or the Kentucky constitution, the fiscal court of any county may enact ordinances, issue regulations, levy taxes, issue bonds, appropriate funds and employ personnel in performance of the following public functions:

(a) Control of animals, and abatement of public nuisances;

(b) Regulation of public gatherings;

(c) Public sanitation and vector control;

(d) Provision of hospitals, ambulance service, programs for the health and welfare of the aging and juveniles, and other public health facilities and services;

(e) Provision of corrections facilities and services, and programs for the confinement, care and rehabilitation of juvenile law offenders;

(f) Provision of parks, nature preserves, swimming pools, recreation areas, libraries, museums and other recreational and cultural facilities and programs;

(g) Provision of cemeteries and memorials;

(h) Conservation, preservation and enhancement of natural resources including soils, water, air, vegetation and wildlife;

(i) Control of floods;

(j) *Facilitating the construction of new housing;* causing the repair or demolition of structures which present a hazard to public health, safety or morals or are otherwise inimical to the welfare of residents of the county; causing the redevelopment of housing and related commercial, industrial and service facilities in urban or rural areas; providing education and counseling services and technical assistance to present and future residents of publicly assisted housing;

(k) Planning, zoning and subdivision control according to the provisions of KRS Chapter 100;

(l) Adoption, by reference or in full, of technical codes governing new construction, renovation or maintenance of structures intended for human occupancy;

(m) Regulation of commerce for the protection and convenience of the public;

(n) Regulation of the sale of alcoholic beverages according to the provisions of KRS Chapters 241 through 244;

(o) Exclusive management of solid wastes by ordinance or contract or by both and disposition of abandoned vehicles;

(p) Provision of public buildings, including armories, necessary for the effective delivery of public services;

(q) Cooperation with other units of government and private agencies for the provision of public services, including but not limited to training, educational services and cooperative extension service programs;

(r) Provision of water and sewage and garbage disposal service but not gas or electricity;

(s) Licensing or franchising of cable television;

(t) Provision of streets and roads, bridges, tunnels and related facilities, elimination of grade crossings, provision of parking facilities, enforcement of traffic and parking regulations;

(u) Provision of police and fire protection;

(v) Regulation of taxis, buses and other passenger vehicles for hire;

(w) Provision and operation of air, rail and bus terminals, port facilities, and public transportation systems;

(x) Promotion of economic development of the county, directly or in cooperation with public or private agencies, including the provision of access roads, land and buildings, and promotion of tourism and conventions.

(4) The county judge/executive is hereby authorized and empowered to exercise all of the executive powers pursuant to this section.

(5) A county acting under authority of this section may assume, own, possess and control assets, rights and liabilities related to the functions and services of the county.

(6) If a county is authorized to regulate an area which the state also regulates, the county government may regulate the area only by enacting ordinances which are consistent with state law or administrative regulation.

(a) If the state statute or administrative regulation prescribes a single standard of conduct, a county ordinance is consistent if it is identical to the state statute or administrative regulation.

(b) If the state statute or administrative regulation prescribes a minimal standard of conduct, a county ordinance is consistent if it establishes a standard which is the same as or more stringent than the state standard.

(c) A county government may adopt ordinances which incorporate by reference state statutes and administrative regulations in areas in which a county government is authorized to act.

(7) County ordinances which prescribe penalties for their violation shall be enforced throughout the entire area of the county unless:

(a) Otherwise provided by statute, or

(b) The legislative body of any city within the county has adopted an ordinance pertaining to the same subject matter which is the same as or more stringent than the standards that are set forth in the county ordinance. The fiscal court shall forward a copy of each ordinance which is to be enforced throughout the entire area of the county to the mayor or chairman of the board of trustees of each city in the county.

(8) The powers granted to counties by this section shall be in addition to all other powers granted to counties by other provisions of law. A permissive procedure authorized by this section shall not be deemed to be exclusive or to prohibit the exercise of other existing laws and laws which may hereafter be enacted but shall be an alternative or supplement thereto.

The Committee Amendment No. 1 to **HB 817** is as follows:

Amend printed copy of **HB 817** on page 2, line 19, after the word "*housing*" and before the semicolon, insert: "*other than by taxation*".

SB 44, AN ACT relating to taxes on motor vehicles and trailers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 132.485 is reenacted to read as follows:

(1) The county clerk shall furnish weekly to the property valuation administrator a copy of the registration certificate for each motor vehicle and housetrailer registered. The address including the county in which the owner of the motor vehicle or housetrailer resides shall be shown on the copy of the registration certificate furnished. The property valuation administrator shall forward to the appropriate property valuation administrator all registration certificates showing a county of residence other than his own. All copies of transfers of registered motor vehicles and housetrailers dated on or before May 1 in the current year shall be forwarded by the county clerk to the property valuation administrator. The property valuation administrator is authorized to list the motor vehicle or housetrailer listed on the registration certificate on the property tax rolls without notifying the taxpayer.

(2) The registration of a motor vehicle or housetrailer with the county clerk in order to operate it or permit it to be operated upon the highways shall be deemed consent by the registrant thereof for the motor vehicle or housetrailer to be assessed by the property valuation administrator at a valuation determined from a standard manual prescribed by the department of revenue for valuing motor vehicles or housetrailers for assessment unless the registrant appears in person before the property valuation administrator to assess the vehicle.

(3) The registration of a motor vehicle on or before the date that the registration of such vehicle is required is prima facie evidence of ownership on January 1.

(4) This section does not apply to motor vehicles and housetrailers owned and operated by public service companies, common carriers or agencies of the state and federal governments.

The provisions of this section shall become effective January 1, 1981.

SECTION 2. A NEW SECTION OF KRS CHAPTER 134 IS CREATED TO READ AS FOLLOWS:

(1) The sheriff shall, at the time he settles his accounts with the fiscal court, pursuant to KRS 134.310 provide the county clerk with a list of taxpayers whose tax bills on motor vehicles or trailers are delinquent.

(2) The county clerk shall file a lien on such vehicle or trailer on behalf of the state, county, city, special district and school district and record such lien on the face of the certificate of title and registration and in the manner in which lis pendens are recorded. Delinquent tax bills shall be subject to interest at the rate of one percent (1%) per month or fraction thereof from the date the lien is filed until paid.

(3) In the event that a bonafide purchaser for value without notice purchases a motor vehicle or a trailer on which no lien has been filed on the certificate of title of such motor vehicle or trailer as provided for in subsection (2) of this section, such person shall not be held responsible for paying delinquent ad valorem taxes or lien fees on the certificate of title of such motor vehicle or trailer if such lien was placed on the certificate of title after same person's purchase of the motor vehicle or trailer.

(4) Upon proof being presented to the county clerk that the motor vehicle or trailer was transferred to a bonafide purchaser for value without notice prior to the placing of a lien on a certificate of title and registration, the clerk shall file such proof with the certificate of title and registration and shall then remove the lien.

(5) The lien filing fee, as provided for in KRS 64.012, shall be added to the tax bill and be payable with the lien releasing fee by the registrant at the time of payment of the delinquent tax to the county clerk.

(6) The county clerk shall give a receipt to the registrant and make a report to the department of revenue, the county treasurer and the other proper officials of all taxing districts that are due proceeds from the payment on the last working day of each month. He shall pay to the department of revenue for deposit with the state treasurer all monies collected by him due to the state, to the county treasurer, all monies due to the county and to the proper officials of all other taxing districts, the amount due each district. He shall pay the amount of fees, costs, commissions, and penalties to the persons, agencies or parties entitled thereto.

SECTION 3. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO READ AS FOLLOWS:

The county clerk shall not transfer the registration on any motor vehicle or trailer against which a tax lien has been filed until the taxes have been paid and the lien has been released.

Section 4. KRS 64.012 is amended to read as follows:

The county clerk shall receive for the following services the following fees:

Recording deed of trust or assignment for the benefit of creditors, provided the entire record thereof does not exceed three pages	$ 5.00
Exceeding three pages, for each page	1.50
Copy and certification of same when ordered	3.50
Each bond required to be taken or prepared by the clerk	2.00
Copy of any bond when ordered	1.50
Recording a bond, each bond	5.00
Receiving the acknowledgment or proof of any deed, mortgage or agreement, power of attorney, or other written instrument required by law to be done and certifying same	1.25
Taking the acknowledgment or proof of a deed of real estate, certifying and recording the same and recording his own certificate, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Certified copy of deed	3.50
Recording a mortgage of real estate, certificates, and all services connected with the same, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Certified copy of real estate mortgage	3.50
Recording deed of assignment of real estate mortgage	5.00
Noting release of any lien, mortgage or redemption other than a deed of release	1.50
Receiving the acknowledgment, recording and certifying each deed of release of a mortgage or lien under KRS 382.360	5.00
Each additional marginal notation relating to same instrument	1.50
Making a record for the establishment of a city, recording the plan or plat thereof, and all other services incident	10.00
Recording survey of a city, or any part thereof, or any addition to or extensions of the boundary of a city	10.00

Every order concerning the establishment, changing, closing or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed or discontinued, and by the applicant when it is not	1.00
Administering an oath and certificate thereof	1.00
Issuing license for which no other fee is fixed by law	1.50
Marriage license, bond, certificate and recording	4.00
For filing and indexing an original or continuation financing statement, and noting the security interest on the required receipt for one motor vehicle	6.00
For filing and indexing an assignment of a financing statement	6.00
For filing and noting a statement of release of collateral under a financing statement	1.00
Recording real estate options, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Recording power of attorney or revocation of power of attorney, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Recording plats, maps and surveys, not exceeding 18 inches by 24 inches, per page	10.00
Recording all leases which are recordable by law, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Marginal notation to same instrument	1.50
Filing or recording of certification of intention to operate a business under an assumed name	5.00
Filing a lien on a delinquent motor vehicle or trailer bill	*6.00*
Releasing a lien on a delinquent motor vehicle or trailer bill	*1.50*
Filing or recording of mechanic's and artisan's liens under KRS Chapter 376	5.00
Filing or recording of notice of lien issued by the Internal Revenue Service	5.00
Filing or recording of notice of lien discharges issued by the Internal Revenue Service	5.00
Filing or recording of lis pendens notice concerning proceedings in bankruptcy and other lis pendens notices, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Filing or recording United States liens, provided the entire record per lien does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Filing or recording release of a United States lien, provided the entire record per lien does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Filing or recording state tax or other state liens, *other than liens on delinquent motor vehicles or trailers*	5.00
Filing release of a state tax or other state lien, *other than a lien on a delinquent motor vehicle or trailer*	5.00
Filing notification and declaration and petition of candidates for office	5.00
Deposit of wills under KRS 394.110	5.00
Recording wills or other probate documents under KRS 394.300	5.00
Issuance of fish and game licenses or tags costing more than $1.00 each	.50
Registration of licenses for professional persons required to register with the county clerk	5.00
Recording and issuing articles, statements, or reports of corporations pursuant to KRS Chapter 271A, including articles of incorporation amendment, restatement of incorporation, merger, or dissolution and statements of establishment of a series of shares, cancellation of a series of shares, reduction of capital, intent to dissolve, revocation of voluntary dissolution, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Miscellaneous recordings for which no specific fee is set, provided the entire record thereof does not exceed three pages (except military discharges)	5.00
Exceeding three pages, each additional page	1.50
Filing miscellaneous documents for which no specific fee is set, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, each additional page	1.50

Section 5. KRS 134.990 is amended to read as follows:

(1) Any sheriff who violates subsection (2) of KRS 134.140 shall be fined one hundred dollars ($100) for each offense.

(2) Any person who violates the provisions of KRS 134.150 shall, upon indictment and conviction in the county in which the act was done, be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500), and be removed from office.

(3) Any sheriff who violates subsection (3) of KRS 134.170 shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) for each offense.

(4) Any sheriff who violates subsection (2) of KRS 134.200 shall be fined not less than five hundred dollars ($500) for each offense.

(5) Any outgoing sheriff who fails for ten (10) days to comply with the provisions of KRS 134.215 shall be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500), and be liable on his bond for any default.

(6) Any sheriff who fails to report as required in KRS 134.300 shall be liable to indictment in the county of his residence, and upon conviction shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500).

(7) Any sheriff who fails to report as provided in KRS 134.320 shall be liable to indictment in the Franklin Circuit Court, and upon conviction shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) for each offense.

(8) Any person who wilfully fails to comply with any rule or regulation promulgated under subsection (4) of KRS 134.380 shall be fined not less than twenty dollars ($20.00) nor more than one thousand dollars ($1,000).

(9) Any sheriff who violates subsection (4) of KRS 134.430 shall be fined one hundred dollars ($100) and be liable on his official bond for the damages sustained by any person aggrieved.

(10) Any county attorney who fails to prepare, and any sheriff who fails to serve, the notice provided for in subsection (1) of KRS 134.500 shall be fined not less than ten dollars ($10.00) nor more than one hundred dollars ($100).

(11) Any sheriff who intentionally fails to keep his books in an intelligible manner and according to the form prescribed by the department of revenue, or to make the entries required by law, shall be fined not less than fifty dollars ($50.00) nor more than two hundred dollars ($200) for each offense.

(12) Any person who fails to do an act required, or does an act forbidden, by any provision of this chapter for which no other penalty is provided shall be fined not less than ten dollars ($10.00) nor more than five hundred dollars ($500).

[(13) Any county clerk who fails to make a settlement as required by KRS 134.147 shall be subject to indictment in the county of his residence and fined not less than five hundred dollars ($500) nor more than five thousand dollars ($5,000).]

Section 6. The following KRS sections are repealed in their entirety:

132.225 Assessment dates for ad valorem tax on motor vehicles and trailers — Valuation — Certification — Notification of registered owner — Tax payable to county clerk on or before registration renewal date.

134.145 County clerk to collect ad valorem taxes on motor vehicles and trailers — Due date — Evidence of payment — Liability for taxes — Tax lien — Appeal of assessment — Fee for collection.

134.146 Report and payment over by county clerk of taxes collected by him — Penalty.

134.147 Final settlement by county clerk.

The Committee Amendment No. 1 to **SB 44** is as follows:

Amend printed copy of **SB 44** on page 12, line 7, by inserting after the bracket the following:

"Section 6. KRS 132.227 is amended to read as follows:

When a person changes his domicile before the property tax on his vehicle becomes due, and renewal of registration of such vehicle is requested in the new county of domicile, he must present proof that the tax was paid in the county of previous registration or the tax shall be due in the county where the renewal is sought. The clerk shall prepare a new bill based on the value of the vehicle on the previous January 1 and the applicable tax rates of the county in which renewal is requested. If the tax bill is not paid before the registration is issued, the clerk shall file a lien as provided in *Section 2.(2) of this Act* [KRS 134.145]. A copy of the paid bill shall be sent to the clerk of the county where the vehicle was previously registered."

and on page 12, line 8, by deleting "6" and substituting therefor: "7".

HB 672, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 100.111 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Administrative official" means any department, employe, or advisory, elected or appointed body which is authorized to administer any provision of the zoning regulation, subdivision regulations, and if delegated, any provision of any housing or building regulation or any other land use control regulation;

(2) *"Agricultural use" means the use of a tract of at least five (5) contiguous acres for the production of agricultural or horticultural crops, including but not limited to livestock, livestock products, poultry, poultry products, grain, soybeans, tobacco, timber, orchard fruits, vegetables, flowers or ornamental plants, but not including residential building development, where such activities constituted the principal use of the tract and produced an average gross income of at least one thousand dollars ($1,000) per year during the two (2) preceding years, and there is evidence of anticipated yearly gross income of one thousand dollars ($1,000).*

(3) "Board" means the board of adjustments unless the context indicates otherwise;

(4)[(3)] "Citizen member" means any member of the planning commission or board of adjustments who is not an elected or appointed official or employe of the city or county;

(5)[(4)] "Commission" means planning commission;

(6)[(5)] "Conditional use" means a use which is essential to or would promote the public health, safety, or welfare in one or more zones, but which would impair the integrity and character of the zone in which it is located, or in adjoining zones, unless restrictions on location, size, extent, and character of performance are imposed in addition to those imposed in the zoning regulation;

(7)[(6)] "Conditional use permit" means legal authorization to undertake a conditional use, issued by the administrative official pursuant to authorization by the board of adjustments, consisting of two (2) parts;

(a) A statement of the factual determination by the board of adjustments which justifies the issuance of the permit; and

(b) A statement of the specific conditions which must be met in order for the use to be permitted.

(8)[(7)] "Dimensional variance" means a departure from the terms of the zoning regulation pertaining to height or width of structures and size of yards and open spaces, where such departure will not be contrary to the public interest, and where, owing to conditions peculiar to the property because of its size, shape or topography, and not as a result of the actions of the applicant, the literal enforcement of the zoning regulations would result in unnecessary and undue hardship;

(9)[(8)] "Fiscal court" means the chief body of the county with legislative power, whether it is the fiscal court, county commissioners, or otherwise;

(10)[(9)] "Housing or building regulation" means any regulation incorporating any housing, building or safety code, including, but not limited to such codes as plumbing, electrical, elevator, boiler, fire safety, and minimum housing, or any other regulation;

(11)[(10)] "Legislative body" means the chief body of the city with legislative power, whether it is the board of aldermen, the general council, the common council, the city council, the board of commissioners, or otherwise; at times it also implies the county's fiscal court;

(12)[(11)] "Mayor" means the chief elected official of the city whether the official designation of his office is mayor, chairman of the board of trustees, or otherwise;

(13)[(12)] "Nonconforming use or structure" means an activity or a building, sign, structure or a portion thereof which lawfully existed before the adoption or amendment of the zoning regulation, but which does not conform to all of the regulations contained in the zoning regulation which pertain to the zone in which it is located;

(14)[(13)] "Planning operations" means the formulating of plans for the physical development and social and economic well-being of a planning unit, and the formulating of proposals for means of implementing the plans;

(15)[(14)] "Planning unit" means any city or county, or any combination of cities, counties, or parts of counties engaged in planning operations;

(16)[(15)] "Plat" means the map of a subdivision;

(17)[(16)] "Political subdivision" means any city or county;

(18)[(17)] "Regulation" means any enactment by the legislative body of a city or county whether it is an ordinance, resolution, or an order and shall include regulations for the subdivision of land adopted by the planning commission;

(19)[(18)] "Several" means two or more;

(20)[(19)] "Public facility" means any use of land whether publicly or privately owned for transportation, utilities, or communications, or for the benefit of the general public, including, but not limited to libraries, streets, schools, fire or police stations, county buildings, municipal buildings, recreational centers including parks, and cemeteries;

(21)[(20)] "Street" means any vehicular way;

(22)[(21)] "Structure" means anything constructed or made, the use of which requires permanent location in or on the ground or attachment to something having a permanent location in or on the ground, including buildings and signs;

(23)[(22)] "Subdivision" means the division of a parcel of land into three (3) or more lots or parcels except in a county containing a city of the first, second or third class or in an urban county government where a subdivision means the division of a parcel of land into two or more lots or parcels; for the purpose, whether immediate or future, of sale, lease, or building development, or if a new street is involved, any division of a parcel of land; *provided* [providing] that *the commission may upon application from the landowner determine that* a division of land *in agricultural use* for agricultural purposes into *three (3) or fewer* lots *or* [of] parcels [of five (5) acres, or more] and not involving a new street shall not be deemed a subdivision. The term includes re-subdivision and when appropriate to the context, shall relate to the process of subdivision or to the land subdivided; any division or redivision of land [into parcels of less than one acre] occurring within twelve (12) months following a division of the same land shall be deemed a subdivision within the meaning of this section.

(24)[(23)] "Unit" means planning unit.

The Committee Substitute to **HB 672** is as follows:

HB 672, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 100.111 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Administrative official" means any department, employe, or advisory, elected or appointed body which is authorized to administer any provision of the zoning regulation, subdivision regulations, and if delegated, any provision of any housing or building regulation or any other land use control regulation;

(2) *"Agricultural use" means the use of a tract of at least five (5) contiguous acres for the production of agricultural or horticultural crops, including but not limited to livestock, livestock products, poultry, poultry products, grain, hay, pastures, soybeans, tobacco, timber, orchard fruits, vegetables, flowers or ornamental plants, but not including residential building development, where such activities constituted the principal use of the tract.*

(3) "Board" means the board of adjustments unless the context indicates otherwise;

(4)[(3)] "Citizen member" means any member of the planning commission or board of adjustments who is not an elected or appointed official or employe of the city or county;

(5)[(4)] "Commission" means planning commission;

(6)[(5)] "Conditional use" means a use which is essential to or would promote the public health, safety, or welfare in one or more zones, but which would impair the integrity and character of the zone in which it is located, or in adjoining zones, unless restrictions on location, size, extent, and character of performance are imposed in addition to those imposed in the zoning regulation;

(7)[(6)] "Conditional use permit" means legal authorization to undertake a conditional use, issued by the administrative official pursuant to authorization by the board of adjustments, consisting of two (2) parts;

(a) A statement of the factual determination by the board of adjustments which justifies the issuance of the permit; and

(b) A statement of the specific conditions which must be met in order for the use to be permitted.

(8)[(7)] "Dimensional variance" means a departure from the terms of the zoning regulation pertaining to height or width of structures and size of yards and open spaces, where such departure will not be contrary to the public interest, and where, owing to conditions peculiar to the property because of its size, shape or topography, and not as a result of the actions of the applicant, the literal enforcement of the zoning regulations would result in unnecessary and undue hardship;

(9)[(8)] "Fiscal court" means the chief body of the county with legislative power, whether it is the fiscal court, county commissioners, or otherwise;

(10)[(9)] "Housing or building regulation" means any regulation incorporating any housing, building or safety code, including, but not limited to such codes as plumbing, electrical, elevator, boiler, fire safety, and minimum housing, or any other regulation;

(11)[(10)] "Legislative body" means the chief body of the city with legislative power, whether it is the board of aldermen, the general council, the common council, the city council, the board of commissioners, or otherwise; at times it also implies the county's fiscal court;

(12)[(11)] "Mayor" means the chief elected official of the city whether the official designation of his office is mayor, chairman of the board of trustees, or otherwise;

(13)[(12)] "Nonconforming use or structure" means an activity or a building, sign, structure or a portion thereof which lawfully existed before the adoption or amendment of the zoning regulation, but which does not conform to all of the regulations contained in the zoning regulation which pertain to the zone in which it is located;

(14)[(13)] "Planning operations" means the formulating of plans for the physical development and social and economic well-being of a planning unit, and the formulating of proposals for means of implementing the plans;

(15)[(14)] "Planning unit" means any city or county, or any combination of cities, counties, or parts of counties engaged in planning operations;

(16)[(15)] "Plat" means the map of a subdivision;

(17)[(16)] "Political subdivision" means any city or county;

(18)[(17)] "Regulation" means any enactment by the legislative body of a city or county whether it is an ordinance, resolution, or an order and shall include regulations for the subdivision of land adopted by the planning commission;

(19)[(18)] "Several" means two or more;

(20)[(19)] "Public facility" means any use of land whether publicly or privately owned for transportation, utilities, or communications, or for the benefit of the general public, including, but not limited to libraries, streets, schools, fire or police stations, county buildings, municipal buildings, recreational centers including parks, and cemeteries;

(21)[(20)] "Street" means any vehicular way;

(22)[(21)] "Structure" means anything constructed or made, the use of which requires permanent location in or on the ground or attachment to something having a permanent location in or on the ground, including buildings and signs;

(23)[(22)] "Subdivision" means the division of a parcel of land into three (3) or more lots or parcels except in a county containing a city of the first, second or third class or in an urban county government where a subdivision means the division of a parcel of land into two or more lots or parcels; for the purpose, whether immediate or future, of sale, lease, or building development, or if a new street is involved, any division of a parcel of land; *provided* [providing] that *the commission may upon application from the landowner determine that* a division of land *in agricultural use* for *continued* agricultural *use* [purposes] into lots *or* [of] parcels [of five (5) acres, or more] and not involving a new street shall not be deemed a subdivision. The term includes re-subdivision and when appropriate to the context, shall relate to the process of subdivision or to the land subdivided; any division or redivision of land [into parcels of less than one acre] occurring within twelve (12) months following a division of the same land shall be deemed a subdivision within the meaning of this section.

(24)[(23)] "Unit" means planning unit.

HB 856, AN ACT relating to constables.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 64.210 is amended to read as follows:

Fiscal courts of counties containing a city of the first class shall authorize the payment of *three* [two] hundred dollars *($300)* [($200.00)] per month out of the county treasury to *sheriffs, deputy sheriffs,* constables and deputy constables using their own automobile in the performance of their official duties.

The Committee Substitute to **HB 856** is as follows:

HB 856, AN ACT relating to constables.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 64.210 is amended to read as follows:

Sheriffs [Fiscal courts] of counties containing a city of the first class shall authorize the payment of *three* [two] hundred dollars *($300)* [($200.00)] per month out of *their fee income* [the county treasury] to *sheriffs and deputy sheriffs* [constables and deputy constables] using their own automobile in the performance of their official duties.

The Committee Amendment No. 1 to the Committee Substitute to **HB 856** is as follows:

Amend printed copy of Committee Substitute to **HB 856** on page 1, the Title line, by amending the title thereof to read as follows: "AN ACT relating to sheriffs."

The Committee on Health and Welfare reported **HB 787** with Committee Amendment attached thereto, **HB 855, HB 952** with Committee Amendment attached thereto, and **HB 842** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 787, AN ACT relating to probation and parole.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 439 IS CREATED TO READ AS FOLLOWS:

(1) Every person released from a state institution under the jurisdiction of the bureau of corrections on parole or conditional release shall, upon reporting to the county parole office in the county in which the parolee is to reside, present himself to the city police of the city in which he is to reside, or if he is residing outside the city limits or if the city maintains no police department, to the sheriff or the county police in the county in which he is to reside for purposes of identification.

(2) The parolee or releasee's parole officer shall decide whether the report is to be made to the sheriff, city police, or county police.

(3) The parolee or releasee shall report as directed by this section to the agency specified by the parole officer within five (5) days of the date he first reports to the parole officer.

(4) Failure of the parolee or conditional releasee to report to the law enforcement agency as specified in this Act, without good cause shown for such failure, shall be prima facie evidence of violation of the conditions of parole or conditional release.

(5) The department of justice shall, by regulation, specify the nature of the identification process.

The Committee Amendment No 1 to **HB 787** is as follows:

Amend printed copy of **HB 787** on page 1, lines 13, 14, and 15, change to read: "*The parole officer shall decide to which police agency the parolee shall report to for identification*".

HB 855, AN ACT relating to emergency medical technicians.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 351.125 TO 351.130 IS CREATED TO READ AS FOLLOWS:

(1) An emergency medical technician (EMT), certified by the department for human resources, shall be employed in every underground coal mine having a minimum of ten (10) employes. An additional emergency medical technician, certified by the department for human resources, shall be employed for every additional sixty (60) employes at a mine, who are engaged in the extraction, production, or preparation of coal. Emergency medical technicians shall be employed at their regular mining duties at a central location convenient for quick response to emergencies and shall have available to them at all times the equipment necessary to respond to emergencies, as prescribed by the commissioner.

(2) Persons to be trained as emergency medical technicians shall be selected jointly by the mine operator and the miners employed at the mine. Persons so selected who attend training requisite to becoming emergency medical technicians shall be paid their regular wages during the training.

HB 952, AN ACT relating to psychologists.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 319.050 is amended to read as follows:

Before granting a license to practice psychology and to use the title "Psychologist" the board shall require any applicant therefor to pass a written examination in psychology to be given at such time and place and under such supervision as the board prescribes. *The board may require applicants to pass the national objective examination for professional practice in psychology and to pay the appropriate examination fee under the sponsorship of the American association of state psychology boards.* Such applicant shall pay *an initial application* [a] fee of [not to exceed] $100 *to cover the first three (3) years of licensure* to the board of examiners at the time of application. The applicant shall satisfy the board that he

(1) Is at least eighteen (18) years of age;

(2) Is of good moral character;

(3) Is a citizen of the United States or has legally declared his intention of becoming one;

(4) Has received a degree of Doctor of Philosophy or its equivalent in psychology from an educational institution rated as acceptable as provided in KRS 319.040;

(5) Has had at least one (1) year's experience of a type satisfactory to the board in the practice of psychology; and

(6) Has not within the preceding six (6) months failed any examination given by the board. The board shall grade the examinations returned by the candidates and shall keep them for at least one (1) year. Any unsuccessful candidate may, upon written request to the board, arrange to discuss his performance on the examination.

Section 2. KRS 319.055 is amended to read as follows:

The board of examiners of psychologists will issue certificates of qualification with appropriate title to applicants who meet all the licensing requirements except the possession of the degree of Doctor of Philosophy or its equivalent in psychology from an educational institution rated as acceptable as provided in KRS 319.040. These certificates of qualification certify that the holder has been examined by the board and is deemed competent to perform certain functions within the practice of psychology under the periodic direct supervision of a psychologist licensed by the board. Such functions will be specified on the certificate issued by the board and may include but are not restricted to such functions as administering tests of mental abilities, personnel selection, and educational and vocational planning. *The board may require applicants to pass the national objective examination for professional practice in psychology and to pay the appropriate examination fee under the sponsorship of the American association of state psychology boards.* Such applicant shall pay to the board of examiners *an application* [a] fee not to exceed fifty dollars ($50.00) for certification in a single area of *qualification* [qualifications] and a fee *of fifty dollars ($50)* for [amendment of the certificate to include] each additional area of qualification *covering the first three (3) years of certification.* Upon petition by a holder the board of examiners may grant authority to function without immediate supervision. The board may require that such a petition be accompanied by a letter of indorsement from the holder's supervisor.

Section 3. KRS 319.071 is amended to read as follows:

Licenses must be renewed every three (3) years on or before the anniversary date of issue or renewal. A license holder shall pay to the board of examiners a renewal fee not to exceed $75.00 and shall receive a renewal license. Certificates of qualification must be renewed every three (3) years on or before the anniversary date of issue or renewal by payment to the board of examiners of a renewal fee *not to exceed seventy-five dollars ($75)* and the certificate holder shall receive a renewal certificate. Any license or certificate shall be canceled if the holder fails to secure the renewal license or certificate within three (3) months after the renewal date, but any license or certificate so canceled may be restored by the board upon payment of a fee within one (1) year after cancellation.

The Committee Amendment No. 1 to **HB 952** is as follows:

Amend printed copy of **HB 952** on page 1, line 12, by inserting after the word "*initial*" the following word "*licensure*".

HB 842, AN ACT relating to nursing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 314.073 is amended to read as follows:

(1) *Except as to the first license renewal following the issuance of an original license in Kentucky,* as a prerequisite for license renewal, all individuals licensed under provisions of this chapter shall be required to complete the following continuing education requirements:

(a) Five (5) contact hours *for the year of* [in] 1982;
(b) Ten (10) contact hours *for the year of* [in] 1983;
(c) Fifteen (15) contact hours yearly thereafter.

A "contact hour" is defined as fifty (50) minutes of an approved, organized learning experience [or two (2) hours of planned and supervised clinical practice designed to meet educational objectives].

A "year" for the purposes of earning contact hours shall mean, beginning on January 1, 1981: January 1 of one (1) year to February 1 of the succeeding year (thirteen (13) months) for registered nurses, and July 1 of one (1) year to August 1 of the succeeding year (thirteen (13) months) for licensed practical nurses.

(2) Contact hours required to satisfy the continuing education requirement shall be completed *in accordance with regulations of the board* [by April 30 of the respective licensure year]. Contact hours in excess of those required may be carried forward into the next licensure year *only* [but they shall not be valid more than one (1) year beyond the year they were received].

(3) Only continuing education *activities approved by the board* [programs conducted under board approved sponsorship] shall satisfy continuing education requirements stated in this section.

(4) The board shall work cooperatively with professional nursing organizations, approved nursing schools and other potential sources of continuing education programs to assure that adequate continuing education offerings are available statewide *and may enter into contractual agreements for review of continuing education activities. The board, to carry out continuing education functions, may charge a reasonable fee to providers and set same by regulations.*

(5) The board shall maintain continuing education records and it shall be responsible for notifying applicants for licensure and licensees applying for license renewal, of continuing education requirements.

The Committee Substitute to **HB 842** is as follows:

HB 842, AN ACT relating to nursing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 314.073 is amended to read as follows:

(1) *Except as to the first license renewal following the issuance of an original license in Kentucky,* as a prerequisite for license renewal, all individuals licensed under provisions of this chapter shall be required to complete the following continuing education requirements:
(a) Five (5) contact hours *for the year of* [in] 1982;
(b) Ten (10) contact hours *for the year of* [in] 1983;
(c) Fifteen (15) contact hours yearly thereafter.

A "contact hour" is defined as fifty (50) minutes of an approved, organized learning experience [or two (2) hours of planned and supervised clinical practice designed to meet educational objectives].

A "year" for the purposes of earning contact hours shall mean, beginning on January 1, 1981: January 1 of one (1) year to January 1 of the succeeding year (twelve (12) months) for registered nurses, and July 1 of one (1) year to July 1 of the succeeding year (twelve (12) months) for licensed practical nurses.

(2) Contact hours required to satisfy the continuing education requirement shall be completed *and reported by January 1 for registered nurses and July 1 for licensed practical nurses* [by April 30 of the respective licensure year]. Contact hours in excess of those required may be carried forward into the next licensure year *only* [but they shall not be valid more than one (1) year beyond the year they were received].

(3) Only continuing education *activities approved by the board* [programs conducted under board approved sponsorship] shall satisfy continuing education requirements stated in this section.

(4) The board shall work [cooperatively] with [professional nursing organizations, approved nursing schools and other] potential sources of continuing education programs to assure that adequate continuing education offerings are available statewide. *The board may charge a reasonable fee to providers to offset the administrative costs incurred by the board.*

(5) *The board shall have the authority to enter into contractual agreements to implement mandatory continuing education for relicensure of registered and licensed practical nurses. The board may exercise this authority after it has issued regulations establishing the criteria and objectives of the continuing education program and the contractual objectives and obligations for the implementation of the continuing education program. Until July 1, 1986 the board may accept recommendations for approval of continuing education programs from review agents which meet criteria set by the board.*

(6) The board shall maintain continuing education records and it shall be responsible for notifying applicants for licensure and licensees applying for license renewal, of continuing education requirements.

The Committee on Natural Resources and Environment reported **HB 898** with Committee Amendment attached thereto, **HB 715, HB 675** with Committee Substitute attached thereto, and **HB 835** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 898, AN ACT relating to pollution control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 224.021 is amended to read as follows:

(1) There are hereby transferred to and vested in the Secretary and Department all functions, powers and duties, funds, personnel, equipment and supplies relating to emission standards for carburetion systems under provisions of KRS 234.321, which said provisions of law have been conferred upon the Department of Health and upon the Commissioner and other officers and offices of the Department of Health.

(2) Neither the state nor any unit of local government shall impose a tax for the purpose of supporting pollution control programs relating to carburetion system emissions upon any person, or the property of any person, who lives within one (1) mile of a two (2) lane paved road or section thereof, which is sixteen (16) or fewer feet in width and which has a traffic count of twenty thousand (20,000) or more vehicles per day.

Section 2. KRS 234.321 is amended to read as follows:

(1) The tax imposed by KRS 234.320 shall not be collected when the liquefied petroleum gas sold by the dealer is used to propel motor vehicles on the public highways, either within or without this state, when the motor vehicles using the liquefied petroleum gas are equipped with carburetion systems approved by the department for natural resources and environmental protection.

(2) The department for natural resources and environmental protection shall establish emission standards for carburetion systems.

(3) Neither the state nor any unit of local government shall impose a tax for the purpose of supporting pollution control programs relating to carburetion system emissions upon any person, or the property of any person, who lives within one (1) mile of a two (2) lane paved road, or section thereof, which is sixteen (16) or fewer feet in width and which has a traffic count of twenty thousand (20,000) or more vehicles per day.

The Committee Amendment No. 1 to **HB 898** is as follows:

Amend printed copy of **HB 898**, on page 1, line 16, by deleting "*sixteen (16)*" and substituting therefor: "*twenty (20)*";

and on page 1, line 18, by deleting "*twenty thousand (20,000)*" and substituting therefor: "*fifteen thousand (15,000)*";

and on page 2, line 15, by deleting "*sixteen (16)*" and substituting therefor: "*twenty (20)*";

and on page 2, line 16, by deleting "*twenty*" and substituting therefor: "*fifteen*";

and on page 2, line 17, by deleting "*(20,000*" and substituting therefor: "*(15,000)*".

HB 715, AN ACT relating to floods.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 198B IS CREATED TO READ AS FOLLOWS:

(1) Within one (1) year after the effective date of this Act, the board shall adopt a uniform state building code which shall establish standards for the construction of all buildings, as defined in KRS 198B.010, in flood prone areas, as defined in regulations promulgated under the national flood insurance act of 1968 (42 U.S.C. 4001-4128), as amended.

(2) The code shall be designed after and may be selected from the models offered by such model code agencies as the building officials and code administrators, international, inc.; the international conference of building officials; the southern building code congress; or other nationally recognized organizations which set or recommend building codes.

(3) The code shall include, but not be limited to, standards, specifications, and requirements which will meet the requirements of the national flood insurance program.

SECTION 2. A NEW SECTION OF KRS CHAPTER 198B IS CREATED TO READ AS FOLLOWS:

(1) The department shall, after the adoption of a uniform building code for flood prone areas, develop an educational program for the purpose of informing and encouraging local governments to adopt similar uniform building codes for flood prone areas.

(2) The department shall encourage and provide assistance to local governments in the development of uniform building codes for flood prone areas.

SECTION 3. A NEW SECTION OF KRS CHAPTER 198B IS CREATED TO READ AS FOLLOWS:

(1) The commissioner, in consultation with the secretary of the department for natural resources and environmental protection, shall develop or obtain detailed maps of flood prone areas in the Commonwealth. Such maps shall be made available, upon request, to local governments which have adopted local codes which meet the requirements of the state uniform building code for flood prone areas.

(2) The department for natural resources and environmental protection shall cooperate with and assist the department of housing, buildings and construction in the development or acquisition of detailed maps of flood prone areas in the Commonwealth. The specific nature and details of the assistance shall be established by a formal cooperative agreement acceptable to both departments, and all activities shall occur in accordance with the terms of the agreement.

HB 675, AN ACT relating to mine rescue teams.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 351.191 TO 351.241 IS CREATED TO READ AS FOLLOWS:

(1) No member of an underground coal mine rescue team shall be liable in civil damages for administering emergency care or treatment at the scene of an emergency, unless such acts constitute wilful and wanton misconduct.

(2) Nothing in this section applies to the administering of such care or treatment where the same is rendered for remuneration or with the expectation of remuneration.

(3) Care or treatment shall not be considered to have been rendered for remuneration or with the expectation of remuneration if no charges are made directly or indirectly to the person so aided, despite the fact that the rescue team member may have been compensated by a salary from a mine owner and the rescue team member rendered the care or treatment during the course of his employment.

The Committee Substitute to **HB 675** is as follows:

HB 675, AN ACT relating to mine rescue teams.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 351.191 TO 351.241 IS CREATED TO READ AS FOLLOWS:

Any person who is qualified by a federal or state agency to perform mine rescue planning and recovery operations, including mine rescue instructors and mine rescue team members, and any person designated by an operator furnishing a mine rescue team to supervise, assist in planning, or provide service thereto, who in good faith performs, or fails to perform, any act or service in connection with such mine rescue planning and recovery operations shall not be liable for any civil damages as a result of any such acts or omissions, and shall not be required to participate, except voluntarily, in any investigation, including any administrative hearing, in connection therewith; provided however, that nothing contained herein shall be construed to exempt from liability any person responsible for an overall mine rescue operation, including *an operator of an affected facility and any person assuming responsibility therefor under federal or state statutes or regulations.*

HB 835, AN ACT relating to strip mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 350.450 is amended to read as follows:

(1) If the area proposed to be mined contains prime farmland as defined in Public Law 95-87, "Surface Mining Control and Reclamation Act of 1977," then no permit shall be issued unless it complies with Section 510(d)(1) therein. Nothing in this subsection shall apply to any permit issued prior to August 3, 1977, or to any revisions or renewals thereof, or to any existing strip mining operations for which a permit was issued prior to August 3, 1977. Nothing herein shall be construed as authorizing the department to promulgate regulations more stringent than those promulgated pursuant to PL 95-87 relating to prime farmland.

(2) Where a strip mining operation will remove an entire coal seam or seams running through the upper fraction of a mountain, ridge, or hill by removing all of the overburden and creating a level plateau or a gently rolling contour with no highwalls remaining, the operation shall comply with the requirements of subsections (2)(c) and (d) of this section without regard to the requirements of KRS 350.410 or 350.445(2) and (3) with respect to lands from which overburden and the coal seam being mined have not been removed; provided, however, the department shall establish internal procedures pursuant to which it shall permit strip mining operations for the purposes set forth in subsection (2)(b) of this section.

(a) Where an applicant meets the requirements of [subsections (2)](b) and (c) of this *subsection* [section] a permit without regard to the requirements to restore to approximate original contour set forth in KRS 350.410 or 350.445(2) and (3) may be granted for the strip mining of coal where the mining operation will remove an entire coal seam or seams running through the upper fraction of a mountain, ridge, or hill, except as provided in *(c) 1.* [subsection (3)(d)] of this *subsection* [section], by removing all of the overburden and creating a level plateau or a gently rolling contour with no highwalls remaining and capable of supporting postmining uses in accord with the requirements of this subsection.

(b) In cases where an industrial, commercial, agricultural, residential, or public facility, including recreational facilities, use is proposed for the postmining use of the affected land, the department may grant a permit for a strip mining operation of the nature described in subsection (2)(a) of this section where:

1. After consultation with the appropriate land use planning agencies, if any, the proposed postmining land use is deemed by the department to constitute an equal or better economic or public use of the affected land as compared with premining use;

2. The applicant presents specific plans for the proposed postmining land use and appropriate assurances that the land use will be:

a. Compatible with adjacent land uses;
b. Obtainable according to data regarding expected need and market;
c. Assured of investment in necessary public facilities;
d. Supported by commitments from public agencies where appropriate;
e. Practicable with respect to private financial capability for completion of the proposed use;
f. Planned pursuant to a schedule attached to the reclamation plan so as to integrate the mining operation and reclamation with the postmining land use; and
g. Designed by a registered engineer in conformance with professional standards established to assure the stability, drainage, and configuration necessary for the intended use of the site;

3. The proposed use would be consistent with adjacent land uses and existing state and local land use plans; and

4. The department provides the governing body of the unit of general-purpose government in which the land is located, and any state or federal agency which the department in its discretion determines to have an interest in the proposed use, an opportunity of not more than thirty (30) days to review and comment on the proposed use; and

5. All other requirements of this chapter will be met.

(c) In granting any permit pursuant to this subsection the following requirements apply:

1. The toe of the lowest coal seam and the overburden associated with it are retained in place as a barrier to slides and erosion;

2. The reclaimed area is stable;

3. The resulting plateau or rolling contour drains inward from the outslopes except at specified points;

4. No damage will be done to natural watercourses;

5. Spoil will be placed on the mountaintop bench as is necessary to achieve the planned postmining land use; provided, that all excess spoil material not retained on the mountaintop shall be placed in accordance with the provisions of KRS 350.440; and

6. Insure stability of the spoil retained on the mountaintop and meet the other requirements of this chapter.

(d) The requirements of all regulations promulgated under this subsection are met.

(e) All permits granted under the provisions of this subsection shall be reviewed not more than three (3) years from the date of issuance of the permit, unless the applicant affirmatively demonstrates that the proposed development is proceeding in accordance with the terms of the approved schedule and reclamation plan.

(3) (a) The department shall adopt procedures pursuant to which it may permit variances *from the requirements of KRS 350.410* for the purposes set forth in subsection (3)(c) of this section, provided that the watershed control of the area is improved, and further provided, complete backfilling with spoil material shall be required to cover completely the highwall, which material will maintain stability following mining and reclamation.

(b) Where an applicant meets the requirements of *subsections* [subsection] (3)(c) *and (d)* of this section, a variance from the requirement to restore the approximate original contour set forth in KRS *350.410 and* 350.445(2) may be granted for the strip mining of coal where the owner of the surface knowingly requests in writing, as a part of the permit application, that such a variance be granted so as to render the land, after reclamation, suitable for an industrial, commercial, residential, or public use, including recreational facilities[, in accord with the further provisions of subsections (3)(c) and (d) of this section].

(c) After consultation with the appropriate land use planning agencies, if any, the potential use of the affected land shall:

1. Be deemed by the department to constitute an equal or better economic or public use;

2. Be designed and certified by a qualified registered professional engineer in conformance with professional standards established to assure the stability, drainage, and configuration necessary for the intended use of the site; and

3. The watershed of the affected land be deemed by the department to be improved.

(d) In granting a variance pursuant to subsection (3)*(b)* of this section, the department shall require that only such amount of spoil will be placed off the mine bench as is necessary to achieve the planned postmining land use, insure stability of the spoil retained on the bench, meet all other requirements of this chapter, and require all spoil placement off the mine bench to comply with KRS 350.440.

(e) The department shall promulgate specific regulations as it deems necessary, if any, to govern the granting of variances in accord with the provisions of this subsection and may impose such additional requirements as it deems to be necessary.

(f) All exceptions granted under the provisions of this subsection shall be reviewed not more than three (3) years from the date of issuance of the permit, unless the permittee affirmatively demonstrates that the proposed development is proceeding in accordance with the terms of the reclamation plan.

(4) [Strip and underground coal mining operations in operation pursuant to a permit issued before August 4, 1977, issued to a person as defined in KRS 350.010(7) in existence prior to May 2, 1977, and operated by a person whose total annual production of coal from surface and underground coal mining operations does not exceed one hundred thousand (100,000) tons shall not be subject to the provisions set forth in KRS 350.400 and subsection (2) of this section, except with reference to the provisions of KRS 350.445(1), until January 1, 1979. The department shall certify qualified applicants pursuant to this subsection.

(5)] The department shall adopt programs, regulations, and procedures designed to provide technical assistance to assist the small coal operator with the permitting and environmental protection performance standards for strip and underground coal mining operations within the Commonwealth. Such programs shall be directed towards eliminating delays in the processing of permits by establishing a special administrative program to review small operator's permit applications and by establishing a procedure for providing the small operator *the* [access to special] technical services *of public and private agencies in addition to the services provided pursuant to KRS 350.465(2)(f)* necessary for completing the permit application. *Specifically, notwithstanding any other provision of this chapter or regulations adopted pursuant thereto, for the purpose of this program, the department shall:*

(a) Allow a small operator to pay the cost of the permit fee in not less than four (4) equal installments over the term of the permit.

(b) Develop a simplified small operator permit application based on provisions under which applicants shall not be required to submit information or data concerning, nor shall applications be deemed incomplete if they lack:

1. Information or data already available to the department from published sources, prior permits by the same applicant or other permits, and other information that may be obtained from the department's own files;

2. Hydrologic information on the general area prior to mining other than such information as may be made available by the department pursuant to paragraph (f) of this subsection or such information employed in any reasonable mathematical water modeling formulation, logical extrapolation from existing data on the same or similar watershed or other reasonable predictive techniques which regionalize and synthetize historical, geologic and hydrologic parameters on the general area to determine surface and ground water conditions;

3. Climatological data, average seasonable precipitation, average direction and velocity of prevailing winds or seasonal temperature ranges;

4. A statement of the result of test borings or core samplings from the permit area, including logs of the drill holes; the thickness of the coal seam found; an analysis of the chemical properties of such coal; the sulfur content of any coal seam to be disturbed; chemical analysis of potentially acid or toxic forming sections of the overburden; or chemical analysis of the stratum lying immediately underneath the coal seam to be mined, when these characteristics of the area, strata and coal seam are already generally known, unless such information is requested of specific applications in writing by the department based on reasonable grounds to believe that the area coal seam or associated strata to be disturbed may, notwithstanding the mining and reclamation plan, contaminate surface or underground water with acidic or toxic materials;

5. Fish and wildlife information within the proposed mine plan area and adjacent areas other than published data or data otherwise available from state and federal fish and wildlife management, conservation or regulatory agencies and site-specific information unless the department requires such information based on reasonable grounds to believe that the available data is inaccurate.

(c) Provide in its regulations that notwithstanding a small operator's detailed estimated timetable for the reclamation plan in the application, as long as the operator is in compliance with the contemporaneous reclamation requirements of its regulations, there is no violation of a permit requirement;

(d) Issue a permit or deny an application for a permit, renewal or revision by a small operator within sixty (60) calendar days following submission of an application. Provided, however, that the application meets all applicable public notice and hearing procedures. The department shall notify the applicant of all deficiencies in the form of the application by certified mail within ten (10) working days after the filing. The applicant shall have ten (10) working days after the receipt of the notification to repair the deficiencies. Upon failure of the applicant to repair the deficiencies within ten (10) working days after receipt of the notification, the department may return the application as incomplete.

(e) Provide in its regulations establishing environmental protection, performance standards that a small operator may:

1. Augment subsoil strata with chemical or organic soil supplement materials produced on site or elsewhere for the purpose of complying with the topsoiling requirements of this chapter.

2. Elect to reclaim gob, spoil, or mining waste piles in existence on, or created after, the date this Act becomes effective by revegetation through use of organic soil supplement materials or other suitable site produced materials rather than covering said piles with compacted earth. Further, a small operator may, in lieu of the topsoil segregation and replacement provisions of this Act, elect to use organic soil supplements or other site produced materials to produce a growing medium sufficient to support a permanent vegetative cover.

(f) Compile by September 1, 1980, all hydrologic information and data, required by this chapter or regulations adopted pursuant thereto, concerning the general areas in which surface coal mining has or may be conducted in the Commonwealth as may be available in standard published form, research reports, studies or data compiled by other state or federal agencies including state-supported colleges and universities, the department's own files, including, at a minimum, quality and quantity of water in surface and ground water systems; minimum, maximum and average discharge quantities at peak and critical low flow and seasonal variations; dissolved and suspended solids, acidity, ph, iron and manganese under seasonal flow conditions; and any other hydrologic information required by the department concerning the hydrologic regime of a general area prior to mining for purposes of making a determination of the probable consequences of the mining and shall make available to a small operator such data and information concerning specific areas within ten (10) days of a request in writing.

(g) The department shall provide in the abandoned mined land program for small operators having mined coal under a state permit or license in the previous three (3) years, participation consisting at least of the following:

1. Lands acquired by the state for reclamation containing coal, coal refuse or other marketable minerals which should be removed in order to maximize the utilization, recoverability or conservation of solid fuel resources or to protect against adverse water quality impacts and which, once reclaimed, cannot be disturbed again by mining, shall be reclaimed by small operators unless the department determines, after advertisement and advance opportunity to bid, that the reclamation project cannot be performed entirely by the small operator bidders;

2. The department shall establish procedures for maximizing participation by small operators in all reclamation projects including:

a. Designing and establishing project specifications and setting forth in the annual request for federal funding under the state reclamation plan not less than twenty percent (20%) of said projects on cost basis to be performed by small operators;

b. Advance advertising, soliciting, evaluating bids and awarding contracts on all state reclamation projects for small operators;

3. The department shall classify all such reclamation projects as government financed construction and not surface coal mining operations and exempt such projects from the requirements of this chapter and regulations promulgated pursuant thereto notwithstanding the ownership, extraction or disposition of any coal removed by small operators from the lands being reclaimed;

4. In the event no bids are submitted by small operators for small operator projects, said projects will be thereafter open for public bidding and no longer designated as small operator projects but shall satisfy that portion of the twenty percent (20%) set aside.

(h) Surface coal mining operations conducted by small operators may, at the option of the operator, be bonded by increments.

(i) Adopt bonding regulations similar to and consistent with the requirements of 34 CFR Subchapter J, providing at a minimum:

1. That a small operator may satisfy the reclamation performance bonding requirements by means of a surety bond, a collateral bond, establishment of an escrow account, a self-bond, or any combination of these bonding methods filed with the department at the time of application or in any sequence during the term of the permit;

2. Authorization for a small operator to file a cumulative bond schedule listing all areas covered by the bond and the sequence for release of acreage as it progresses through varying reclamation phases and the addition of other acreage as it is affected and requiring that the increments so designated be bonded initially only when and as they are disturbed;

3. Special bonding regulations for long-term operations to account for differences between short-term and long-term operations and between surface and underground mines applicable to portions of underground coal mines, coal processing plants, coal refuse areas, coal loading facilities, and other coal-related facilities which will be in operation for more than five (5) years from the date of initial permit issuance and allowing these types of facilities and activities to be bonded as separate increments of a surface mine permit area if situated therein;

4. Specifications of selective husbandry practices including seeding fertilization, or irrigation which may be performed during phase III and which shall not be deemed augmentation nor extend the period of bond liability.

5. That a portion of a bonded area requiring renewal of the five-year period of liability because of augmentation may be separated from the original area and bonded separately from the remaining area which shall not have its period of liability extended if the portion augmented is not significant in relation to the entire bonded area and is a distinguishable contiguous portion of the bonded area;

6. That the bond liability of a small operator shall include only these actions which the operator is obligated to perform under the permits and that actions of third parties beyond the control of the operator and for which the operator is not responsible under the permit need not be covered by the bond nor result in extension of the period of liability;

7. That upon the bankruptcy, insolvency, or suspension or revocation of the charter or license of a surety on a small operator's bond or a bank issuer of a letter of credit or escrow account posted as a collateral bond or portion thereof; the small operator shall be given up to ninety (90) days to replace the impaired bond and upon due compliance the operator shall not be deemed to have been in violation of this chapter for purposes of determining a pattern of violations nor shall the default or any notice of violation resulting therefrom be required to be reported as a past violation in permit applications;

8. That a small operator may file with the department as a bond, supplement or replace another type of bond, an escrow account deposited with the department or in federally insured accounts payable on demand to the department with contributions to the account based on acres affected, coal produced or any other rate the department may approve;

9. That the use of an indemnity agreement serving as a selfbond is authorized when a small operator demonstrates a history of financial solvency and continuous existence as a business entity for ten (10) years prior to filing the application so as to reasonably establish that the applicant will be financially capable of completing all reclamation requirements relating to the proposed operation;

10. That the department may release all bond liability for an increment if the phase III reclamation of the increment is complete and capable of supporting the proposed postmining land use independent of the successful completion of the reclamation of portions of the permit area still under bond or not yet initially disturbed;

11. That a small operator may file as an element of collateral under a collateral bond a mortgage on lands which are part of the permit area after reclamation standards of phase II have been achieved on such lands;

12. That reapplication of portions of small operators' reclamation bonds otherwise eligible for release by virtue of satisfaction of phases I and II of the reclamation responsibility to succeeding increments of the same permit area shall not be deemed to be a release.

(j) For the purposes of this subsection, a small coal operator is one who is anticipated to mine less than 200,000 tons per year, and the department in determining tonnage for qualification shall consider all production from common ownership of other corporations or operations.

(k) Upon written notification by the small coal operator to the department stating that no more mining will take place under a permit, the department shall release a portion of the bond in accordance with KRS 350.070. In making its determinations pursuant to KRS 350.070 the department shall:

1.[(a)] Determine the percentage of the permitted acreage in the area of reduction in relation to the initial acreage of the permit;

2.[(b)] Examine the land which has been disturbed and estimate the cost of reclamation;

3.[(c)] When the estimated cost of reclamation does not exceed five thousand dollars ($5,000) then the department shall return all bond money in excess of the five thousand dollars ($5,000);

4.[(d)] When the estimated cost of reclamation exceeds five thousand dollars ($5,000) the department shall retain the amount estimated and shall return all bond money in excess of the estimated amount but in no case shall the department return more than the amount determined by multiplying the percentage determined under paragraph (a) of this subsection times the original total bond amount.

(l) The department shall promulgate regulations pursuant to the provisions set forth in this chapter establishing formal and informal hearing and conference procedures whereby any such hearing or conference shall upon the written request of the small operator, be held in a place of convenience in the locality of the surface coal mining operation involved, before an impartial hearing officer who is independent of any prosecutorial functions of the department. The procedures developed pursuant to this subsection will provide that such hearings and conferences be held in the most expeditious manner possible within the minimum time constraints established under this chapter; all such actions shall be adjudicatory in nature; and no person who presided at a prior hearing or conference shall either preside at a subsequent hearing in the same matter or participate in any further decision or any subsequent administrative appeal. No regulation or administrative practice relating to conferences or hearings shall authorize the imposition or collection of a civil penalty, or the compromise of a dispute relating to an alleged violation, by any department personnel other than an independent, impartial hearing officer in the course of a formal or informal hearing or conference.

(m) The department shall provide in the regulations developed pursuant to this chapter that a small operator attempting in good faith to achieve rapid compliance with any notice or order shall be assigned a minus ten (10) to minus thirty (30) points pursuant to the point system established under the penalty provisions of this chapter.

SECTION 2. A NEW SECTION OF KRS CHAPTER 350 IS CREATED TO READ AS FOLLOWS:

(1) Any person may petition the secretary of the department for natural resources and environmental protection to initiate a proceeding for the issuance, amendment or repeal of any regulation under this chapter.

(2) Notice and an opportunity shall be provided for the petitioner and any person wishing to participate to be heard at a public hearing within thirty (30) days following the filing of the petition on the facts, technical justification and law alleged in the petition.

(3) The secretary shall render a final order in writing within thirty (30) days after the hearing granting or denying the petition on grounds that there is a reasonable basis for the petitioned rule change, or is not, or that it is required or prohibited by law and setting forth the reasons for the decision.

(4) The secretary shall initiate a rulemaking proceeding pursuant to KRS Chapter 13 within thirty (30) days after a petition is granted proposing the issuance, amendment or repeal of the petitioned regulations in conformity with the final order.

(5) Any participant in the petition proceedings may seek review in the circuit court of Franklin County of a final order of the secretary denying all or any portion of the action requested in a petition.

The Committee Substitute to **HB 835** is as follows:

HB 835, AN ACT relating to strip mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 350.450 is amended to read as follows:

(1) If the area proposed to be mined contains prime farmland as defined in Public Law 95-87, "Surface Mining Control and Reclamation Act of 1977," then no permit shall be issued unless it complies with Section 510(d)(1) therein. Nothing in this subsection shall apply to any permit issued prior to August 3, 1977, or to any revisions or renewals thereof, or to any existing strip mining operations for which a permit was issued prior to August 3, 1977. Nothing herein shall be construed as authorizing the department to promulgate regulations more stringent than those promulgated pursuant to PL 95-87 relating to prime farmland.

(2) Where a strip mining operation will remove an entire coal seam or seams running through the upper fraction of a mountain, ridge, or hill by removing all of the overburden and creating a level plateau or a gently rolling contour with no highwalls remaining, the operation shall comply with the requirements of subsections (2)(c) and (d) of this section without regard to the requirements of KRS 350.410 or 350.445(2) and (3) with respect to lands from which overburden and the coal seam being mined have not been removed; provided, however, the department shall establish internal procedures pursuant to which it shall permit strip mining operations for the purposes set forth in subsection (2)(b) of this section.

(a) Where an applicant meets the requirements of [subsections (2)](b) and (c) of this *subsection* [section] a permit without regard to the requirements to restore to approximate original contour set forth in KRS 350.410 or 350.445(2) and (3) may be granted for the strip mining of coal where the mining operation will remove an entire coal seam or seams running through the upper fraction of a mountain, ridge, or hill, except as provided in *(c) 1.* [subsection (3)(d)] of this *subsection* [section], by removing all of the overburden and creating a level plateau or a gently rolling contour with no highwalls remaining and capable of supporting postmining uses in accord with the requirements of this subsection.

(b) In cases where an industrial, commercial, agricultural, residential, or public facility, including recreational facilities, use is proposed for the postmining use of the affected land, the department may grant a permit for a strip mining operation of the nature described in subsection (2)(a) of this section where:

1. After consultation with the appropriate land use planning agencies, if any, the proposed postmining land use is deemed by the department to constitute an equal or better economic or public use of the affected land as compared with premining use;

2. The applicant presents specific plans for the proposed postmining land use and appropriate assurances that the land use will be:

a. Compatible with adjacent land uses;

b. Obtainable according to data regarding expected need and market;

c. Assured of investment in necessary public facilities;

d. Supported by commitments from public agencies where appropriate;

e. Practicable with respect to private financial capability for completion of the proposed use;

f. Planned pursuant to a schedule attached to the reclamation plan so as to integrate the mining operation and reclamation with the postmining land use; and

g. Designed by a registered engineer in conformance with professional standards established to assure the stability, drainage, and configuration necessary for the intended use of the site;

3. The proposed use would be consistent with adjacent land uses and existing state and local land use plans; and

4. The department provides the governing body of the unit of general-purpose government in which the land is located, and any state or federal agency which the department in its discretion determines to have an interest in the proposed use, an opportunity of not more than thirty (30) days to review and comment on the proposed use; and

5. All other requirements of this chapter will be met.

(c) In granting any permit pursuant to this subsection the following requirements apply:

1. The toe of the lowest coal seam and the overburden associated with it are retained in place as a barrier to slides and erosion;

2. The reclaimed area is stable;

3. The resulting plateau or rolling contour drains inward from the outslopes except at specified points;

4. No damage will be done to natural watercourses;

5. Spoil will be placed on the mountaintop bench as is necessary to achieve the planned postmining land use; provided, that all excess spoil material not retained on the mountaintop shall be placed in accordance with the provisions of KRS 350.440; and

6. Insure stability of the spoil retained on the mountaintop and meet the other requirements of this chapter.

(d) The requirements of all regulations promulgated under this subsection are met.

(e) All permits granted under the provisions of this subsection shall be reviewed not more than three (3) years from the date of issuance of the permit, unless the applicant affirmatively demonstrates that the proposed development is proceeding in accordance with the terms of the approved schedule and reclamation plan.

Section 109. KRS 387.025 is amended to read as follows:

Any interested person may petition the court for the appointment of a guardian [or committee] but before an appointment is made, the petitioner shall make and file in duplicate a written application under oath, which must state the name, age and residence of the ward, the ward's husband or wife and each of the ward's parents, or if there be no spouse or parents, the names, ages and residence of the next of kin, the name of the person having custody of the ward, a brief description of the ward's estate and its probable value, and the estimated annual income therefrom. A duplicate copy of said application shall be mailed by the clerk to the commissioner of revenue of the state of Kentucky. The court shall thereupon appoint a time for hearing such application. Notice thereof shall be given to the minor if more than fourteen years of age; to the person having custody of the ward; to the husband or wife and each parent of the ward, or if none, to the next of kin residing in the state in the manner provided in KRS 395.016.

Section 110. KRS 389.010 is amended to read as follows:

(1) The real property or any right, title or interest in real property of a person under the age of eighteen years, or of a person of unsound mind, whether such person be a resident or a nonresident of this state, may be sold under or by decree of a court of equity of the county in which the property or any part thereof is situated for any purpose deemed by the court to be necessary or proper or beneficial to such person under disability.

(2) The decree may be rendered on a petition, counterclaim or cross-petition filed by the statutory guardian of an infant, or by the *guardian or conservator* [committee] of a *mentally disabled person* [person of unsound mind], or by a next friend, or by any party against a guardian or *conservator* [committee], if he has one residing in this state, in any kind of similar proceeding that may be maintained against a person who is not under disability.

(3) Except in actions brought under subsection (13) of this section, if the guardian or *conservator* [committee] of a person under disability be a party to the action, then it shall not be necessary for the person under disability to be made a party personally.

(4) If the guardian or *conservator* [committee] of a person under disability be not a party to the action, then it shall be necessary for the person under disability to be a party personally and brought before the court in the manner authorized by the Rules of Civil Procedure.

(5) Nothing contained in subsections (2), (3) and (4) of this section shall limit the purposes of sale named in subsection (1) of this section.

(6) If the suit be filed against a guardian or *conservator* [committee] and he shall fail to appear and defend or show that no good defense can be made, the court shall appoint a guardian ad litem to do so.

(7) The pleading seeking a sale shall file the title papers, or copies thereof, under which the property is held; shall particularly describe the property and the interest therein of the person under disability; set forth fully the reasons or purposes for which it is sought to have the same sold; and the nature and extent of all liens upon the interest of the person, if any, so far as the same may be known to the petitioner.

(8) The case may be referred by order of court to the master commissioner for hearing of evidence and report on the facts and his recommendation with respect to the relief sought in the pleadings.

(9) The allegations of the pleading shall not be taken as confessed but shall be proved by competent evidence heard on deposition or orally by the judge or commissioner. A transcript thereof shall be filed as part of the record.

(10) The proceeds of any sale may be paid to the guardian or *conservator* [committee] provided that he shall have executed in the circuit court a bond with surety to the Commonwealth for the use and benefit of the person under disability that he will faithfully discharge his trust and will account for, pay and deliver to said person all money and other property due or belonging to him when he shall reach his majority, or if he be a person of unsound mind when he shall be legally restored, or to his heirs or personal representative, or in compliance with an order of any court of competent jurisdiction. The court shall endorse its approval on said bond, which shall be recorded on the order book; provided, that if the circuit court, upon examination of a certified copy of the bond executed in the district court of his appointment by the guardian or *conservator* [committee], which copy shall be filed in the circuit court, should determine, in its discretion, that said bond is adequate and sufficient, the above bond to be executed in the circuit court shall not be required. The circuit court shall enter an order in the order book that it has personally examined the certified copy of the bond executed in the district court, and found it adequate and sufficient and that no additional bond shall be required in that circuit court. The copy of the bond shall be certified as a true and correct copy of the bond by the clerk of the court in which it was executed.

(11) Subject to the above conditions, judgment may be rendered and executed in the same manner and on the same terms as judgments in similar cases where no person under disability is a party.

(12) Provided, that (a) the court may in its discretion in an ex parte or adversary proceeding authorize the guardian or *conservator* [committee] of such person or the commissioner of the court to make said sale at public auction upon such terms and conditions as the court may order, and to convey title thereto;

a. Designing and establishing project specifications and setting forth in the annual request for federal funding under the state reclamation plan not less than twenty percent (20%) of said projects on cost basis to be performed by small operators;

b. Advance advertising, soliciting, evaluating bids and awarding contracts on all state reclamation projects for small operators.

3. In the event no bids are submitted by small operators for small operator projects, said projects will be thereafter open for public bidding and no longer designated as small operator projects but shall satisfy that portion of the twenty percent (20%) set aside.

(d) For the purposes of this subsection, a small coal operator is one who is anticipated to mine less than two hundred thousand (200,000) tons per year, and the department in determining tonnage for qualification shall consider all production from common ownership of other corporations or operations.

(e) Upon written notification by the small coal operator to the department stating that no more mining will take place under a permit, the department shall release a portion of the bond in accordance with KRS 350.070. In making its determinations pursuant to KRS 350.070 the department shall:

1.[(a)] Determine the percentage of the permitted acreage in the area of reduction in relation to the initial acreage of the permit;

2.[(b)] Examine the land which has been disturbed and estimate the cost of reclamation;

3.[(c)] When the estimated cost of reclamation does not exceed five thousand dollars ($5,000) then the department shall return all bond money in excess of the five thousand dollars ($5,000);

4.[(d)] When the estimated cost of reclamation exceeds five thousand dollars ($5,000) the department shall retain the amount estimated and shall return all bond money in excess of the estimated amount but in no case shall the department return more than the amount determined by multiplying the percentage determined under paragraph *1.*[(a)] of this subsection times the original total bond amount.

SECTION 2. A NEW SECTION OF KRS CHAPTER 350 IS CREATED TO READ AS FOLLOWS:

(1) Applicants for permits may submit such hydrologic information on the general area prior to mining as may be made available by the department pursuant to Section 2(7) of this Act and employ such information in any reasonable mathematical water modeling formulation, logical extrapolation from existing data on the same or similar watershed or other reasonable predictive techniques which regionalize and synthetize historical, geologic and hydrologic parameters on the general area to determine surface ground water conditions, together with site specific data in determining the probable hydrologic consequences of the proposed mining.

(2) Climatological data, average seasonable precipitation, average direction and velocity of prevailing winds or seasonable temperature ranges, shall be submitted by the applicant only when requested by the department on a site-by-site basis.

(3) A statement of the result of test borings or core samplings from the permit area, including logs of the drill holes; the thickness of the coal seam found; an analysis of the chemical properties of such coal; the sulfur content of any coal seam to be disturbed; chemical analysis of potentially acid or toxic forming sections of the overburden; or chemical analysis of the stratum lying immediately underneath the coal seam to be mined, may be waived by the department with respect to the specific application by a written determination that such requirements are unnecessary.

(4) Applicants may submit fish and wildlife information within the proposed mine plan area and adjacent areas in the form of published data or data otherwise available from state and federal fish and wildlife management, conservation or regulatory agencies and site-specific information unless the department requires such information based on reasonable grounds to believe that the available data is inaccurate.

(5) The department shall provide in its regulations that notwithstanding an operator's detailed estimated timetable for the reclamation plan in the application, as long as the operator is in compliance with the contemporaneous reclamation requirements of its regulations, a failure to adhere to said timetable shall not be an independent basis for a violation.

(6) The department shall provide in its regulations establishing environmental protection, performance standards that an operator may augment subsoil strata with chemical or organic soil supplement materials produced on site or elsewhere for the purpose of complying with the topsoiling requirements of this chapter if topsoil is of insufficient quality or of poor quality for sustaining vegetation.

(7) The department shall compile by September 1, 1980, available background hydrologic information concerning the general areas in which surface coal mining has or may be conducted in the Commonwealth as may be available in standard published form, research reports, studies or data compiled by other state or federal agencies including state-supported colleges and universities, the department's own files, including, at a minimum, quality and quantity of water in surface and ground water systems; minimum, maximum and average discharge quantities at peak and critical low flow and seasonal variations; dissolved and suspended solids, acidity, ph, iron and manganese under seasonal flow conditions; and any other background hydrologic information required by the department concerning the hydrologic regime of a general

area prior to mining for purposes of making a determination of the probable consequences of the mining; and shall make available to an operator such data and information concerning general areas within ten (10) days of a request in writing.

(8) The department shall classify all abandoned mine land program reclamation projects as government financed construction and not surface coal mining operations and the extraction of coal as an incidental part of such projects shall be exempt from the requirements of this chapter and regulations promulgated pursuant thereto.

SECTION 3. A NEW SECTION OF KRS CHAPTER 350 IS CREATED TO READ AS FOLLOWS:

(1) Any person may petition the secretary of the department for natural resources and environmental protection to initiate a proceeding for the issuance, amendment or repeal of any regulation under this chapter.

(a) Notice and an opportunity shall be provided for the petitioner and any person wishing to participate to be heard at a public hearing within thirty (30) days following the filing of the petition on the facts, technical justification and law alleged in the petition.

(b) The secretary shall render a final order in writing within thirty (30) days after the hearing granting or denying the petition on grounds that there is a reasonable basis for the petitioned rule change, or is not, or that it is required or prohibited by law and setting forth the reasons for the decision.

(c) The secretary shall initiate a rulemaking proceeding pursuant to KRS Chapter 13 within thirty (30) days after a petition is granted proposing the issuance, amendment or repeal of the petitioned regulations in conformity with the final order.

(d) Any participant in the petition proceedings may seek review in the circuit court of Franklin County of a final order of the secretary denying all or any portion of the action requested in a petition.

(2) The department shall promulgate regulations pursuant to the provisions set forth in this chapter establishing formal and informal hearing and conference procedures whereby any such hearing or conference shall upon the written request of the operator, be held in the county or regional office where the surface coal mining operation is located, before an impartial hearing officer who is independent of any prosecutorial functions of the department. The procedures developed pursuant to this subsection will provide that such hearings and conferences be held in the most expeditious manner possible within the minimum time constraints established under this chapter; all such actions shall be adjudicatory in nature; and no person who presided at a prior hearing or conference shall either preside at a subsequent hearing in the same matter or participate in any further decision or any subsequent administrative appeal. No regulation or administrative practice relating to conferences or hearings shall authorize the imposition or collection of a civil penalty, or the compromise of a dispute relating to an alleged violation, by any department personnel other than an independent, impartial hearing officer in the course of a formal or informal hearing or conference.

SECTION 4. A NEW SECTION OF KRS CHAPTER 350 IS CREATED TO READ AS FOLLOWS:

(1) After a surface coal mining and reclamation permit application has been approved but before such a permit is issued, the applicant shall file with the regulatory authority, on a form prescribed and furnished by the regulatory authority, a bond for performance payable, as appropriate, to the state, and conditional upon faithful performance of all the requirements of this Act and the permit. The bond shall cover that area of land within the permit area upon which the operator will initiate and conduct surface coal mining and reclamation operations within the initial term of the permit. As succeeding increments of surface coal mining and reclamation operations are to be initiated and conducted within the permit area, the permitee shall file with the department an additional bond or bonds to cover such increments in accordance with this section.

(2) The department may accept the bond of the applicant itself without separate surety when the applicant demonstrates to the satisfaction of the department the existence of a suitable agent to receive service or process and a history of financial solvency and continuous operation sufficient for authorization to self-insure or bond such amount or in lieu of the establishment of a bonding program, as set forth in this section, the department may approve an alternative system that will achieve the objectives and purposes of the bonding program pursuant to this section.

SECTION 5. A NEW SECTION OF KRS CHAPTER 350 IS CREATED TO READ AS FOLLOWS:

Any provision of this chapter which is set forth as inconsistent with the provisions of Public Law 95-87 by the Secretary of the Interior pursuant to Section 505(b) of that act shall be deemed superseded by federal law and shall thereafter be unenforceable by the Commonwealth of Kentucky.

SECTION 6. A NEW SECTION OF KRS CHAPTER 350 IS CREATED TO READ AS FOLLOWS:

The general assembly finds and declares that an emergency exists because of the federal requirement that state legislation necessary to comply with the provisions of Public Law 95-87, the "surface mining control and reclamation act of 1977", be a validly enacted law on or before June 15, 1980, in order that the *state program filing of March 3, 1980, be deemed complete, and that the state law shall be in effect before the United States Secretary of Interior can approve the state program, or the state's proposed permanent program would otherwise be disapproved by the United States Secretary of Interior, thereby causing the installation of a federal program in the Commonwealth. Therefore, this legislation shall become a validly enacted law when signed by the governor, but the provisions of this Act shall not become effective until approval of the state program by the United States Secretary of Interior pursuant to Public Law 95-87, the surface mining control and reclamation act of 1977.*

The Committee on Education reported **SB 163** and **SB 201** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 163, AN ACT relating to public procurement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 162.070 is reenacted to read as follows:

The contracts for the erection of new school buildings, additions and repairs to old buildings, except additions or repairs not exceeding five thousand dollars ($5,000), shall be made by the board of education to the lowest and best responsible bidder complying with the terms of the letting, after advertisement for competitive bids pursuant to KRS Chapter 424, but the board may reject any or all bids. All necessary specifications and drawings shall be prepared for all such work. The board shall advertise for bids on all supplies and equipment that it desires to purchase, except where the amount of the purchase does not exceed five thousand dollars ($5,000), and shall accept the bid of the lowest and best bidder, but the board may reject any and all bids.

Section 2. KRS 45A.010 is amended to read as follows:

(1) This code shall be liberally construed and applied to promote its underlying purposes and policies.

(2) The underlying purposes and policies of this code shall be:

(a) To simplify, clarify, and modernize the law governing purchasing by the Commonwealth [and its local public agencies];

(b) To permit the continued development of purchasing policies and practices;

(c) To make as consistent as possible the purchasing laws among the various states;

(d) To provide for increased public confidence in the procedures followed in public procurement;

(e) To insure the fair and equitable treatment of all persons who deal with the procurement system of the Commonwealth;

(f) To provide increased economy in state [and local] procurement activities by fostering effective competition; and

(g) To provide safeguards for the maintenance of a procurement system of quality and integrity.

Section 3. KRS 45A.020 is amended to read as follows:

(1) This code shall apply to every expenditure of public funds by this Commonwealth under any contract or like business agreement, excepting only that this code shall not apply to contracts or like business agreements between the Commonwealth and its political subdivisions or other governments, except as provided in KRS 45A.295 to 45A.320 [and 45A.345 to 45A.460]. It shall also apply to the disposal of state property.

(2) Since this code is a general act intended to provide model coverage of its subject matter, no part of it shall be deemed to be impliedly repealed by subsequent legislation if such construction of the subsequent legislation can be reasonably avoided.

Section 4. KRS 45A.025 is amended to read as follows:

Every determination required by this code shall be in writing and based upon written findings of the public official making the determination. These determinations and written findings shall be retained in an official contract file in the office of the chief purchasing officer or in the office of the using agency [or local public agency] administering the contract.

Section 5. KRS 45A.030 is amended to read as follows:

The words defined in this section shall have the meanings set forth below whenever they appear in this code, unless the context in which they are used clearly requires a different meaning; or a different definition is prescribed for a particular section, group of sections or provision.

(1) "Business" shall mean any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other legal entity through which business is conducted.

(2) "Change order" shall mean a written order signed by the purchasing officer, directing the contractor to make changes which the changes clause of the contract authorizes the purchasing officer to order without the consent of the contractor.

(3) "Chief purchasing officer" shall mean the secretary of the executive department for finance and administration, who shall be responsible for all procurement of the Commonwealth except as provided by KRS Chapters 175, 176, 177 and 180.

(4) "Construction" shall mean the process of building, altering, repairing, improving or demolishing any public structures or buildings, or other public improvements of any kind to any public real property. It does not include the routine maintenance of existing structures, buildings, or real property.

(5) "Contract" shall mean all types of state agreements, including grants and orders, for the purchase or disposal of supplies, services, construction, or any other item. It shall include awards; contracts of a fixed-price, cost, cost-plus-a-fixed-fee, or incentive type; contracts providing for the issuance of job or task orders; leases; letter contracts; and purchase orders. It also includes supplemental agreements with respect to any of the foregoing.

(6) "Contract modification" shall mean any written alteration in the specifications, delivery point, rate of delivery, contract period, price, quantity, or other contract provisions of any existing contract, whether accomplished by unilateral action in accordance with a contract provision, or by mutual action of the parties to the contract. It shall include bilateral actions, such as supplemental agreements, and unilateral actions, such as change orders, administrative changes, notices of termination, and notices of the exercise of a contract option.

(7) "Contractor" shall mean any person having a contract with a governmental body.

(8) "Data" shall mean recorded information, regardless of form or characteristic.

(9) "Designee" shall mean a duly authorized representative of a person holding a superior position.

(10) "Employe" shall mean an individual drawing a salary from a governmental body [or local public agency], whether elected or not, and any non-salaried individual performing personal services for any governmental body [or local public agency].

(11) "Governmental body" shall mean any department, commission, council, board, bureau, committee, institution, legislative body, agency, government corporation, or other establishment of the executive or legislative branch of the state *government*.

(12) "May" shall mean permissive.

(13) "Negotiation" shall mean contracting by either the method set forth in KRS 45A.085, 45A.090 or 45A.095.

(14) "Person" shall mean any business, individual, organization or group of individuals.

(15) "Procurement" shall mean the purchasing, buying, renting, leasing, or otherwise obtaining of any supplies, services, or construction. It shall also include all functions that pertain to the obtaining of any supply, service, or construction item, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

(16) "Purchase request" or "purchase requisition" shall mean that document whereby a using agency requests that a contract be obtained for a specified need, and may include, but is not limited to, the technical description of the requested item, delivery schedule, transportation, criteria for evaluation of solicitees, suggested sources of supply, and information supplied for the making of any written determination and finding required by KRS 45A.025.

(17) "Purchasing agency" shall mean any governmental body which is authorized by this code or its implementing regulations or by way of delegation from the chief purchasing officer to contract on its own behalf rather than through the central contracting authority of the chief purchasing officer.

(18) "Purchasing officer" shall mean any person authorized by a governmental body in accordance with procedures prescribed by regulations, to enter into and administer contracts and make written determinations and findings with respect thereto. The term shall also include an authorized representative acting within the limits of authority.

(19) "Services" shall mean the rendering, by a contractor, of its time and effort rather than the furnishing of a specific end product, other than reports which are merely incidental to the required performance of services.

(20) "Shall" shall mean imperative.

(21) "Supplemental agreement" shall mean any contract modification which is accomplished by the mutual action of the parties.

(22) "Supplies" shall mean all property, including but not limited to leases of real property, printing and insurance, except land or a permanent interest in land.

(23) "Using agency" shall mean any governmental body of the state which utilizes any supplies, services, or construction purchased under this code.

Section 6. KRS 45A.310 is amended to read as follows:

(1) All payments received by a supplying public purchasing unit from any other public purchasing unit or foreign purchasing activity shall be available or appropriated to the supplying public purchasing unit to defray the cost of the services provided.

(2) Where the public purchasing unit or foreign purchasing activity administering a cooperative purchase complies with the requirements of this code, any public purchasing unit participating in such a purchase shall be deemed to have complied with this code.

(3) Where the public purchasing unit or foreign purchasing activity administering a cooperative purchase does not follow this code, then the purchasing officer *of a state public purchasing unit*[, or equivalent official in any participating local public purchasing unit,] must determine, in writing, that he has examined the procurement system of the public purchasing unit or foreign purchasing activity administering the purchase, and has found that the proposed method of purchase substantially meets the requirements of this code.

(4) The department of local government shall collect information concerning the type, cost, quality, and quantity of commonly used supplies, services, or construction being procured or used by state public purchasing units. The department of local government may also collect such information from local public purchasing units. The department of local government may make available all such information to any public purchasing unit upon request.

(5) Nothing in KRS 45A.295 to 45A.320 shall be deemed to require a local public purchasing unit to comply with any other provision of KRS Chapter 45A.

Section 7. KRS 45A.335 is amended to read as follows:

As used in KRS 45A.330 to 45A.340 except as may be otherwise indicated by the context:

(1) "Agency" means any of the departments of the state government, and any division, board, bureau, commission or other instrumentality within such department and any independent state authority, commission, instrumentality or agency, but it does not include *a school district or other political subdivision nor* an authority, commission, instrumentality or agency created pursuant to compact or agreement between or among the state of Kentucky and another state or states;

(2) "Officer or employe" means a member of the boards of trustees, or regents of a state university except faculty and student members, and a person holding an office, position in an agency, but it does not include other persons who serve without salary or other payment for their services and it does not include employes of school boards or district boards of education or faculty or staff of state institutions of higher learning;

(3) "Compensation" means any money, thing of value, or financial benefit conferred in return for services rendered or to be rendered, but it does not include the salary or other payment provided by law or appropriation for services rendered in a public office, position or employment;

(4) No member of a board of trustees or regents shall have an interest in any contract with a state university unless such contract shall have been subjected to competitive bidding in compliance with KRS Chapter 45, unless such trustee or regent shall have been the lowest bidder and unless such trustee or regent shall have first notified in writing to the remaining members of the board, and to the newspaper having the largest circulation in the county in which the state university is located, of his intention to bid on such contract.

Section 8. KRS 45A.345 is amended to read as follows:

As used in KRS 45A.345 to 45A.460, unless the context indicates otherwise:

(1) *"Aggregate amount" shall mean the total dollar amount during a fiscal year of items of a like nature, function, and use the need for which can reasonably be determined at the beginning of the fiscal year. Items the need for which could not reasonably be established in advance or which were unavailable because of a failure of deliver need not be included in the aggregate amount.*

(2) "Chief executive officer" shall mean the mayor, county judge/executive, superintendent of schools, or the principal administrative officer of a local public agency, or the person designated by the chief executive officer or legislative body of the local public agency to perform the procurement function.

(3)[(2)] "Construction" shall mean the process of building, altering, repairing, or improving any public structure or building, or other public improvements of any kind to any public real property. It does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property.

(4)[(3)] "Contract" shall mean all types of local public agency agreements, including grants and orders, for the purchase or disposal of supplies, services, construction, or any other item. It includes awards and notices of award; contracts of a fixed-price, cost, cost-plus-a-fixed-fee, or incentive type; contracts providing for the issuance of job or task orders; leases; letter contracts; and purchase orders. It also includes supplemental agreements with respect to any of the foregoing. It does not include labor contracts with employes of local public agencies.

(5)[(4)] "Established catalogue price" shall mean the price included in the most current catalogue, price list, schedule, or other form that:

(a) Is regularly maintained by the manufacturer or vendor of an item; and

(b) Is either published or otherwise available for inspection by customers; and

(c) States prices at which sales are currently or were last made to a significant number of buyers constituting the general buying public for that item.

(6)[(5)] "Evaluated bid price" shall mean the dollar amount of a bid after bid price adjustments are made pursuant to objective measurable criteria, set forth in the invitation for bids, which affect the economy and effectiveness in the operation or use of the product, such as reliability, maintainability, useful life, [and] residual value, *and time of delivery, performance, or completion.*

(7)[(6)] "Invitation for bids" shall mean all documents, whether attached or incorporated by reference, utilized for soliciting bids in accordance with the procedures set forth in KRS 45A.365.

(8)[(7)] "The legislative body or governing board" shall mean a council, commission or other legislative body of a city or urban county; a county fiscal court; board of education of a county or independent school district; board of directors of an area development district or special district; or board of any other local public agency.

(9)[(8)] "Local public agency" shall mean a city, county, urban-county, school district, special district, or an agency formed by a combination of such agencies under KRS Chapter 79, or any department, board, commission, authority, office or other sub-unit of a political subdivision which shall include the offices of the county clerk, county sheriff, county attorney, coroner and jailer.

(10)[(9)] "May" shall mean permissive. However, the words "no person may . . ." mean that no person is required, authorized, or permitted to do the act prescribed.

(11)[(10)] "Negotiation" shall mean contracting by either the method set forth in KRS 45A.370, 45A.375 or 45A.380.

(12) "Noncompetitive negotiation" shall mean informal negotiation with one or more vendor, contractor, or individual without advertisement or notice.

(13) "Objective measurable criteria" shall mean sufficient information in the invitation to bid as to weight and method of evaluation so that the evaluation may be determined with reasonable mathematical certainty. Criteria which are otherwise subjective such as taste and appearance may be established when appropriate.

(14)[(11)] "Person" shall mean any business, individual, union, committee, club, or other organization or group of individuals.

(15)[(12)] "Procurement" shall mean the purchasing, buying, renting, leasing, or otherwise obtaining any supplies, services, or construction. It also includes all functions that pertain to the obtaining of any public procurement, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

(16)[(13)] "Request for proposals" shall mean all documents, whether attached or incorporated by reference, utilized for soliciting proposals in accordance with the procedures set forth in KRS 45A.370, 45A.375, 45A.380 or 45A.385.

(17)[(14)] "Responsible bidder or offeror" shall mean a person who has the capability in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.

(18)[(15)] "Responsive bidder" shall mean a person who has submitted a bid under KRS 45A. 365 which conforms in all material respects to the invitation for bids, so that all bidders may stand on equal footing with respect to the method and timeliness of submission and as to the substance of any resulting contract.

(19)[(16)] "Services" shall mean the rendering, by a contractor, of its time and effort rather than the furnishing of a specific end product other than reports which are merely incidental to the required performance of service. It does not include labor contracts with employes of local public agencies.

(20)[(17)] "Shall" shall mean imperative.

(21)[(18)] "Specifications" shall mean any description of a physical or functional characteristic of a supply, services or demonstration item. It may include a description of any requirement for inspecting, testing or preparing a supply, service or construction item for delivery.

(22)[(19)] "Supplemental agreement" shall mean any contract modification which is accomplished by the mutual action of the parties.

(23)[(20)] "Supplies" shall mean all property, including but not limited to leases on real property, printing and insurance, except land or a permanent interest in land.

SECTION 9. A NEW SECTION OF CHAPTER 45A IS CREATED TO READ AS FOLLOWS:

Any local public agency may adopt the provisions of KRS 45A.345 through 45A.460. No other statutes governing purchasing shall apply to a local public agency upon adoption of these provisions.

Section 10. KRS 45A.360 is amended to read as follows:

(1) A local public agency may adopt regulations, not inconsistent with KRS 45A.345 to 45A.460, governing the following:

(a) Conditions and procedures for delegations of purchasing authority;
(b) Prequalification, suspension, debarment, and reinstatement of prospective bidders;
(c) Modification and termination of contracts;
(d) Conditions and procedures for the purchase of perishables and items for resale;
(e) Conditions, including emergencies, and procedures under which purchases may be made by means other than competitive sealed bids;

(f) Rejection of bids, consideration of alternate bids and waiver of informalities in offers;

(g) Confidentiality of technical data and trade secrets information submitted by actual and prospective bidders or offerors;

(h) Partial, progressive and multiple awards;

(i) Supervision of store rooms and inventories, including determination of appropriate stock levels and the management, transfer, sale or other disposal of government-owned property;

(j) Definitions and classes of contractual services and procedures for acquiring them;

(k) Procedures for the verification and auditing of local public agency procurement records; [and]

(l) *Annual reports from those vested with purchasing authority as may be deemed advisable in order to insure that the requirements of this Act are complied with; and*

(m)[(l)] Such other regulations as may be deemed advisable to carry out the purposes of KRS 45A.345 to 45A.460 or otherwise fulfill the local public agency's procurement responsibilities.

(2) All local public agency ordinances and regulations pertaining to procurement, whether promulgated under KRS 45A.345 to 45A.460 or otherwise, shall be maintained by the local public agency and shall be available to the public upon request at a cost not to exceed the cost of reproduction.

Section 11. KRS 45A.375 is amended to read as follows:

(1) In the event that all bids submitted pursuant to competitive sealed bidding under KRS 45A.365 result in bid prices in excess of the funds available for the purchase, and the local public agency determines in writing:

(a) That there are no additional funds then available from any source so as to permit an award to the lowest responsive and responsible bidder; and

(b) The best interest of the local public agency will not permit the delay attendant to a resolicitation under revised specifications or revised quantities under competitive sealed bidding as provided in KRS 45A.365; then a negotiated award may be made as set forth in subsections (2) or (3) of this section.

(2) Where there is more than one (1) bidder, competitive negotiations pursuant to KRS 45A.370 shall be conducted with the three (3) (two (2) if there are only two (2)) bidders determined in writing by the local public agency to be the lowest responsive and responsible bidders to the competitive sealed bid invitation. Such competitive negotiations shall be conducted under the following restrictions:

(a) If discussions pertaining to the revision of the specifications or quantities are held with any potential offeror, all other potential offerors shall be afforded an opportunity to take part in such discussions; and

(b) A request for proposals, based upon revised specifications or quantities, shall be issued as promptly as possible, shall provide for an expeditious response to the revised requirements, and shall be awarded upon the basis of the lowest bid price or lowest evaluated bid price submitted by any responsive and responsible offeror. No discussion shall be conducted with offerors after submission of proposals except for a compelling reason as determined in writing by the local public agency. The request for proposals shall state that award is to be made without discussions except as herein provided.

(3) Where, after competitive sealed bidding, it is determined in writing that there is only one (1) responsive and responsible bidder, a noncompetitive negotiated award may be made with such bidder in accordance with KRS 45A.380.

(4) Where, after invitation for bids has been made in accordance with KRS 45A.365 and no bids have been received from responsive and responsible bidders, the local public agency may proceed to acquire the supplies, services, or construction by noncompetitive negotiations in accordance with KRS 45A.380.

Section 12. KRS 45A.380 is amended to read as follows:

(1) A local public agency may contract or purchase through noncompetitive negotiation only when a written determination is made that competition is not feasible and it is further determined in writing by *a designee of* the local public agency that:

(a) An emergency exists which will cause public harm as a result of the delay in competitive procedures; or

(b) There is a single source *within a reasonable geographical area* of the product or service to be procured; or

(c) The contract is for the services of a licensed professional, *such as attorney, physician, psychiatrist, psychologist, certified public accountant, registered nurse, or educational specialist; a technician such as a plumber, electrician, carpenter, or mechanic; or an artist such as a sculptor, aesthetic painter, or musician,* provided, however, that this provision shall not apply to architects or engineers providing construction management services rather than professional architect or engineer services; or

(d) The contract is for the purchase of perishable items purchased on a weekly or more frequent basis, such as fresh fruits, vegetables, [or] fish *or meat;*

(e) The contract is for replacement parts where the need cannot be reasonably anticipated and stockpiling is not feasible;

(f) The contract is for proprietary items for resale;

(g) In school districts the contract relates to an enterprise in which the buying or selling by students is a part of the educational experience;

(h) The contract or purchase is for expenditures made on authorized trips outside of the boundaries of the local public agency;

(i) The contract is for the purchase of supplies which are sold at public auction or by receiving sealed bids;

(j) The contract is for group life insurance, group health and accident insurance, group professional liability insurance, worker's compensation insurance, and unemployment insurance; or

(k) The contract is for a sale of supplies at reduced prices that will afford a purchase at savings to the local public agency.

[(2) A report shall be compiled annually and submitted to the legislative body or governing board, within ninety (90) days following the close of the fiscal year, of all contracts made through noncompetitive negotiation during such fiscal year and the report shall contain:

(a) The name of each contractor; and

(b) The amount and type of each contract; and

(c) A description of the supplies, services and construction purchased by each contract; and

(d) Copies of all determinations and findings required to be made by provisions of this section as attachments.

(3) Reports required by subsection (2) of this section shall be retained for a period of five (5) years and shall be available for public inspection and copying upon reasonable request.]

Section 13. KRS 45A.385 is amended to read as follows:

[(1)] The local public agency *may use small purchase procedures for any contract for which a determination is made that the aggregate amount of the contract does not exceed five thousand dollars ($5,000), provided such small purchase procedures are* [shall establish small purchase procedures which shall be] in writing and available to the public.

[(2) Small purchase procedures may be used for the award of any contract or purchase which does not exceed an aggregate amount of twenty-five hundred dollars ($2,500).

(3) Supplies, services or construction normally supplied as a unit cannot be artificially divided for the sole purpose of using small purchase procedures. Supplies, services or construction to be supplied over a period of time at the same unit price shall be considered a single purchase contract. A contract may be for any period of time that will provide the most beneficial market price to the local public agency, provided no time period shall be fixed for the sole purpose of avoiding the requirements of competitive sealed bidding or negotiation.]

Section 14. KRS 45A.420 is amended to read as follows:

(1) Any local public agency may enter into an agreement for cooperative purchasing with any other local public agency. When the contracting local public agency contracts for supplies, services or construction pursuant to KRS 45A.365, 45A.370, 45A.375 or 45A.380, all other parties to the agreement shall be deemed to have complied with the provisions of those sections.

(2) Nothing in KRS 45A.345 to 45A.990 shall deprive a local public agency from negotiating with vendors for supplies where such supplies are the subject of a price agreement with the Commonwealth of Kentucky provided, however, that no contract executed under this section would authorize a price higher than is contained in the price agreement with the Commonwealth of Kentucky for such specific supplies.

Section 15. KRS 45A.445 is amended to read as follows:

As used in KRS 45A.445 to 45A.460, unless the context indicates otherwise:

(1) "Conspicuously" shall mean written in such special or distinctive format, print, or manner that a reasonable person against whom it is to operate ought to have noticed it.

(2) "Confidential information" shall mean any information which is available to an employe only because of his status as an employe of the local public agency and is not a matter of public knowledge or available to the public on request.

(3) "Debarment" shall mean the disqualification of a person to receive invitations for bids or requests for proposals, or the award of a contract by the local public agency for a specified period of time.

(4) "Financial interest" shall mean:

(a) Ownership of any interest or involvement in any relationship from which, or as a result of which, a person has, within the past three (3) years, received or is presently or in the future entitled to receive more than one thousand dollars ($1,000) per year, or its equivalent; or

(b) Ownership of more than a ten percent (10%) interest in any business; or

(c) Holding a position in a business such as an officer, director, trustee, partner, employe, or the like, or holding any position of management.

(5) "Gratuity" shall mean a payment, loan, subscription, advance, deposit of money, services, or anything of more than *fifty dollars ($50)* [nominal] value, present or promised, unless consideration of substantially equal or greater value is received.

(6) "Immediate family" shall mean a spouse, children, grandchildren, parents, grandparents, brothers and sisters, and such other relatives as designated by the local public agency.

(7) "Official responsibility" shall mean direct administrative or operating authority, whether intermediate or final, either exercisable alone or with others, either personally or through subordinates, to approve, disapprove, or otherwise direct local public agency actions.

(8) "Suspension" shall mean the disqualification of any person to receive invitations for bids or requests for proposals, or to be awarded a contract by a local public agency for a temporary period, pending the completion of an investigation and any legal proceedings that may ensue.

Section 16. KRS 45A.455 is amended to read as follows:

(1) It shall be a breach of ethical standards for any employe *with procurement authority* to participate directly [or indirectly] in any proceeding or application; request for ruling or other determination; claim or controversy; or other particular matter pertaining to any contract, or subcontract, and any solicitation or proposal therefor, in which to his knowledge:

(a) He, or any member of his immediate family has a financial interest therein; or

(b) A business or organization in which he or any member of his immediate family has a financial interest as an officer, director, trustee, partner, or employe, is a party; or

(c) Any other person, business, or organization with whom he or any member of his immediate family is negotiating or has an arrangement concerning prospective employment is a party. Direct or indirect participation shall include but not be limited to involvement through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing, or in any other advisory capacity.

(2) It shall be a breach of ethical standards for any person to offer, give, or agree to give any employe or former employe, or for any employe or former employe to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment, in connection with any decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling or other determination, claim or controversy, or other particular matter, pertaining to any contract or subcontract and any solicitation or proposal therefor.

(3) It is a breach of ethical standards for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

(4) The prohibition against conflicts of interest and gratuities and kickbacks shall be conspicuously set forth in every local public agency *written* contract and solicitation therefor.

(5) It shall be a breach of ethical standards for any public employe or former employe knowingly to use confidential information for his actual or anticipated personal gain, or the actual or anticipated personal gain of any other person.

Section 17. KRS 45A.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 45A.325 shall be guilty of a felony and shall be punished by a fine of not less than five thousand dollars ($5,000) nor more than ten thousand dollars ($10,000), or be imprisoned not less than one (1) year nor more than five (5) years, or both such fine and imprisonment. Any firm, corporation, or association which violates any of the provisions of KRS 45A.325 shall, upon conviction, be fined not less than ten thousand dollars ($10,000) nor more than twenty thousand dollars ($20,000).

(2) Any person who violates any provisions of KRS 45A.330 to 45A.340, [upon conviction,] shall be *guilty of a Class B misdemeanor,* [punished by confinement in the penitentiary for not less than six (6) months, nor more than two (2) years, or fined not less than two hundred dollars ($200) nor more than one thousand dollars ($1,000), or both,] and in addition he shall be adjudged to have forfeited any statutory office or employment which he may hold.

(3) Any *person who willfully violates* [violation of] this code shall be punished by a fine of not more than *one* [five] thousand dollars *($1,000)* [($5,000)] or by *imprisonment for* [a prison sentence of] not more than *one (1) year* [five (5) years], or by both fine and imprisonment in the discretion of the jury.

(4) Any employe or any official of the Commonwealth of Kentucky, elective or appointive, who shall take, receive, or offer to take or receive, either directly or indirectly, any rebate, percentage of contract, money, or other things of value, as an inducement or intended inducement, in the procurement of business, or the giving of business, for, or to, or from, any person, partnership, firm or corporation, offering, bidding for, or in open market seeking to make sales to the Commonwealth of Kentucky, shall be deemed guilty of a felony and upon conviction such person or persons shall be punished by a fine not to exceed five thousand dollars ($5,000) or by imprisonment in the penitentiary for not *less than one (1) year nor* more than ten (10) years, or both so fined and imprisoned in the discretion of the jury.

(5) Every person, firm, or corporation offering to make, or pay, or give, any rebate, percentage of contract, money or any other thing of value, as an inducement or intended inducement, in the procurement of business, or the giving of business, to any employe or to any official of the Commonwealth, elective or appointive, in his efforts to bid for, or offer for sale, or to seek in the open market, shall be deemed guilty

of a felony and shall be punished by a fine not to exceed five thousand dollars ($5,000) or by imprisonment in the penitentiary for not *less than one (1) year nor* more than ten (10) years, or both so fined and imprisoned in the discretion of the jury.

(6) Criminal penalties for violations of the laws which are in existence on January 1, 1980 shall not be impaired.

(7) *This section shall not apply to any officer or employe of a political subdivision, including a school district, nor to the procurement activities of any such political subdivision unless such political subdivision has elected to operate under KRS 45A.345 through 45A.460* [Any person who knowingly violates or solicits the violation of any of the provisions of KRS 45A.455, shall be deemed guilty of a misdemeanor and shall, on conviction thereof, be punished by a fine of not more than five thousand dollars ($5,000) or by imprisonment for not more than one (1) year, or both. In addition, if the convicted person be a nonelected employe, appropriate proceedings for his dismissal shall be commenced by the local public agency].

Section 18. KRS 162.075 is amended to read as follows:

The provisions of KRS Chapter 45A *and KRS 162.070* shall not apply to purchases made by the boards of education within the Commonwealth of Kentucky from the United States of America, or any agency thereof.

Section 19. KRS 45A.350, Application, is repealed.

Section 20. Because of the immediate hardship placed on cities, counties, and school districts, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the governor.

SB 201, AN ACT relating to the Kentucky higher education student loan corporation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 164A.080 is amended to read as follows:

(1) The corporation is hereby authorized to provide for the issuance, at one (1) time or from time to time, of not exceeding *one hundred fifty* [thirty] million dollars *($150,000,000)* [($30,000,000)] in bonds of the corporation to carry out and effectuate its corporate purposes and powers. In anticipation of the issuance of such bonds the corporation also is hereby authorized to provide for the issuance, at one (1) time or from time to time, of bond anticipation notes. The principal of and the interest on such bonds or notes shall be payable solely from the funds herein provided for such payment. Any such notes may be made payable from the proceeds of bonds or renewal notes or, in the event bond or renewal note proceeds are not available, such notes may be paid from any available revenues or assets of the corporation. The bonds or notes of each issue shall be dated and may be made redeemable before maturity at the option of the corporation at such price or prices and under such terms and conditions as may be determined by the corporation. Any such bonds or notes shall bear interest at such rate or rates as may be determined by the corporation. Notes shall mature at such time or times not exceeding five (5) years from their date or dates and bonds shall mature at such time or times not exceeding thirty (30) years from their date or dates, as may be determined by the corporation. The corporation shall determine the form and manner of execution of the bonds or notes, including any interest coupons to be attached thereto, and shall fix the denomination or denominations and the place or places of payment of principal and interest, which may be any bank or trust company within or without the state. In case any officer whose signatures or a facsimile of whose signature shall appear on any bonds or notes or coupons attached thereto shall cease to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The corporation may also provide for the authentication of the bonds or notes by a trustee or fiscal agent. The bonds or notes may be issued in coupon or in registered form, or both, as the corporation may determine, and provision may be made for the registration of any coupon bonds or notes as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds or notes of any bonds or notes registered as to both principal and interest, and for the interchange of registered and coupon bonds or notes. Upon the approval of a resolution of the corporation authorizing the sale of its bonds or notes, such bonds or notes may be sold in such manner, either at public or private sale, and for such price as said corporation shall determine to be for the best interest of the corporation and best effectuate the purposes of this chapter provided that such sale shall be approved by the corporation.

(2) The proceeds of any bonds or notes shall be used solely for the purposes for which issued and shall be disbursed in such manner and under such restrictions, if any, as the corporation may provide in the resolution authorizing the issuance of such bonds or notes or in the trust agreement hereinafter mentioned securing the same. The principal of and interest on any bonds issued by the corporation shall be payable

solely and only from the proceeds derived by the corporation from insured student loans made and purchased from the proceeds of such bonds. No such bond proceeds may be expended for the purchase or making of any insured student loan unless such insured student loan is insured as to the principal and interest payments by the *United States of America or the* guarantee agency, and the guarantee agency has reinsured such insured student loan with the United States of America to the maximum extent permitted by the higher education act of 1965, as amended.

Section 2. Whereas, continued, uninterrupted access to insured loans is deemed essential to the Commonwealth, an emergency is declared to exist, and this Act shall become effective immediately upon passage and approval by the governor.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Health and Welfare: **SB 340.**

Business Organizations and Professions: **SB 80.**

Report on Enrolled Bills

The Committee on Enrollment reported **HB 408, HB 412, HJR 43, SB 6, SB 42, SB 75, SB 142,** and **SB 143** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 408, HB 412, and **HJR 43** delivered to the Senate, signed by President. Ordered delivered to the Govenor.

Calendar

HB 588, HB 972, HB 721, SB 18, SB 25, SB 216, SB 21, HB 121, HB 644, HB 645, HB 646, HB 647, HB 746, HB 786, HB 827, HB 417, HB 682, HB 706, HB 757, HB 854, HB 860, HR 6, HR 105, HR 106, HR 107, HB 17, HB 521, HB 779, HB 823, HB 849, HB 892, HB 959, HB 476, HB 506, HB 668, HB 676, HB 99, HB 426, HB 821, HB 969, and **HB 723** taken from the Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Orders of the Day

HB 586, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mann moved the adoption of Floor Amendment No. 1 to **HB 586.** Agreed.

Representative Wilborn moved the adoption of the Floor Amendment No. 2 to **HB 586.** Agreed.

Representative Holloway moved the adoption of the Floor Amendment No. 3 to **HB 586.**

Representative Johnson moved that **HB 586** be laid on the Clerk's desk.

On the roll call the vote was yeas 34-Adams, Allen, Boswell, Bruce, Burnette, Caldwell, Clark, Clarke, Curd. Ellington. Farrow, Foster, Fryman, Haering, Head, Johnson, Layman, Little, McKinney, McNutt, Morris. Overstreet, Rattliff, Reynolds, Richards, Riner, Robinson, Sale, Stone, Turner, Van Horn, Weinberg, White. Wright. Nays 43-Barrows, Bennett, Blythe, Bronger, Cawood, Craddock, Davenport, Dawahare, DeFalaise. Donnermeyer, Dunn, Freibert, Guenthner, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton. Kidd. LeMaster. Lewis, List, Lundergan, Mann, McBee, Moberly, Noe, O'Brien, Pearman, Petty, Priddy. Rapier. B. Richardson, Romines, Schmidt, Smith, Thomas, Thomason, Wilborn, Williams, Yates.

The motion that **HB 586** be laid on the Clerk's desk was rejected.

On the roll call the vote was yeas 43-Bendl, Bennett, Blythe, Bronger, Caldwell, Cawood, Cyrus, DeFalaise, Donnermeyer, Dunn, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, Lundergan, Mann, McBee, Moberly, Morris, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Schmidt, Smith, Thomas, Thomason, Van Horn, Weinberg, Wilborn, Williams, Yates. Nays 37-Adams, Blandford, Boswell, Brinkley, Bruce, Burnette, Clark, Clarke, Crupper, Curd, Davenport, Ellington, Farrow, Foster, Friebert, Fryman, Head, Johnson, Layman, List, McNutt, Overstreet, Patrick, Pearman, Plummer, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Stone, Turner, White, Wright.

Floor Amendment No. 3 to **HB 586** was adopted.

Representative Mann moved that **HB 586,** as amended, be passed.

On the roll call the vote was yeas 34-Bendl, Bennett, Blythe, Bronger, Clarke, DeFalaise, Donnermeyer, Dunn, Guenthner, Heleringer, Hines, Holbrook, Holloway, Isler, Kidd, LeMaster, Lewis, Mann, McBee,Moberly, Nett, O'Brien, Pearman, Petty, Priddy, Rapier, Romines, Schmidt, Smith, Thomas, Thomason, Wilborn, Williams, Yates. Nays 56-Adams, Allen, Arnold, Barrows, Blandford, Boswell, Brinkley, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Johnson, Kenton, Layman, List, Little, McKinney, McNutt, Morris, Noe, Overstreet, Patrick, Plummer, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Stone, Turner, Van Horn, Weinberg, White, Worthington, Wright.

HB 586, as amended, was defeated.

Representative B. Richardson moved that the vote by which **HB 586** was defeated be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

The following message was received in regard to **HB 122:** "We wish to notify this Honorable Body that the Senate has agreed to the Conference Committee Report on **HB 122** and has repassed the Bill as amended in Conference."

Orders of the Day (Cont.)

Representative Little moved that the rules be suspended to introduce guest. Agreed.

Representative Little moved that Ervin Stepp be granted the privilege of the Floor. Agreed.

Representative Little moved the adoption of the following **HR 122:**

HR 122, A RESOLUTION designating March 19, 1980, as "Ervin Stepp Day" throughout the Commonwealth of Kentucky.

WHEREAS, Ervin Stepp is nationally regarded as a phenomenon in high school basketball; and

WHEREAS, Ervin Stepp has attained this recognition by averaging 48 points per game as a high school junior and averaging over 54 points per game as a high school senior and hitting 58% of his shots; and

WHEREAS, these averages have set new records in basketball history at all levels of play; and

WHEREAS, Ervin Stepp has been recognized as a Kentucky All State player and as a high school All American player; and

WHEREAS, while attaining these records in basketball, Ervin Stepp has also maintained a 4.0 average in his academic course of study at Phelps High School in Pike County and shown outstanding leadership abilities in his school and community;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives commends and honors Ervin Stepp for his athletic achievements.

Section 2. That March 19, 1980, be designated as "Ervin Stepp Day" throughout the Commonwealth of Kentucky.

Section 3. That the Clerk of the House of Representatives be directed to transmit a copy of this resolution to Ervin Stepp and Phelps High School.

HR 122 was adopted by voice vote.

Speaker Pro Tempore presiding.

HB 288, as amended by Committee Amendment No. 1 and Floor Amendment No. 1, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 288** be laid on the Clerk's desk.

On the roll call vote was yeas 15-Burnette, Caldwell, Craddock, DeFalaise, DeMarcus, Ellington, Fryman, Gray, Haering, Hancock, Mann, Moberly, Reynolds, Schmidt, Wright. Nays 44-Adams, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Bronger, Bruce, Burch, Cawood, Curd, Davenport, Donnermeyer, Farrow, Freibert, Head, Heleringer, Hines, Isler, Kenton, List, Little, Lundergan, Morris, O'Brien, Patrick, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Williams, Yates.

The motion that **HB 288** be laid on the Clerk's desk was rejected.

Representative Little moved the adoption of the Floor Amendment No. 2 to **HB 288.** Agreed.

Representative Moberly moved the adoption of the Floor Amendment No. 4 to **HB 288.** Rejected.

Representative Little moved that **HB 288,** as amended, be passed.

Representative Mann moved the adoption of the Floor Amendment No. 3 to **HB 288.** Agreed.

Representative Little moved that **HB 288,** as amended, be passed.

On the roll call the vote was yeas 39-Adams, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce,Burch, Cawood, Clark, Curd, Davenport, Foster, Freibert, Heleringer, Hines, Johnson, Little, McKinney, Morris, Overstreet, Patrick, Priddy, Rapier, Richards, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomas, Tobin, Van Horn, White, Williams, Yates. Nays 42-Allen, Barrows, Blythe, Burnette, Caldwell, Clarke, Craddock, Crupper, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Fryman, Haering, Head, Holbrook, Isler, Jones, Layman, LeMaster, Lewis, List, Lundergan, Mann, McBee, McNutt, Moberly, Pearman, Petty, Plummer, Reynolds, B. Richardson, Robinson, Stumbo, Turner, Weinberg, Wilborn, Worthington, Wright.

HB 288 was defeated.

Representative B. Richardson moved that the vote by which **HB 288,** as amended, was defeated be reconsidered and said motion be postponed indefinitely. Agreed.

HB 729 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blandford moved that **HB 729** be passed.

On the roll call the vote was yeas 80-Adams, Allen, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Haering, Hancock, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, List, Little, Lundergan, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 4-Cawood, Donnermeyer, Heleringer, Mann.

HB 729 was passed and the title agreed to.

Representative Blandford moved that the vote by which **HB 729** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 730 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blandford moved that **HB 730** be passed.

On the roll call the vote was yeas 80-Adams, Allen, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 3-Haering, Van Horn, Weinberg.

HB 730 was passed and the title agreed to.

Representative Blandford moved that the vote by which **HB 730** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 734, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Adams moved the adoption of the Committee Substitute to **HB 734.** Agreed.

Representative Adams moved that **HB 734,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 64-Adams, Allen, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, DeMarcus, Donnermeyer, Dunn, Farrow, Freibert, Haering, Holloway, Isler, Johnson, Jones, LeMaster, Little, Mann, McBee, McKinney, Moberly, Morris, O'Brien, Overstreet, Pearman, Petty, Plummer, Rapier, Rattliff, Reynolds, B. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 10-Barrows, Bendl, Dawahare, Ellington, Hancock, Holbrook, McNutt, Richards, Robinson, Worthington.

HB 734, by way of Committee Substitute, was passed and the title agreed to.

Representative Adams moved that the vote by which **HB 734,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 737 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Overstreet moved that **HB 737** be passed.

On the roll call the vote was yeas 83-Adams, Allen, Barrows, Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HB 737 was passed and the title agreed to.

Representative Overstreet moved that the vote by which **HB 737** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 738, with Committee Amendments and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Burch moved the adoption of the Committee Amendment No. 2 to **HB 738.**

On the roll call the vote was yeas 57-Adams, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Head, Hines, Holbrook, Isler, Lewis, List, McBee, McNutt, Moberly, Morris, Nett, Noe, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, White, Williams, Yates. Nays 5-DeMarcus, Fryman, Haering, Reynolds, Wright.

Committee Amendment No. 2 to **HB 738** was adopted.

Representative Smith moved the adoption of the Committee Amendment No. 1 to **HB 738.** Agreed.

Representative Head moved the adoption of the Floor Amendment No. 2 to **HB 738.** Agreed.

Representative Burch moved that **HB 738,** as amended, be passed.

On the roll call the vote was yeas 40-Bennett, Blair Blythe, Boswell, Brinkley, Bruce, Burch, Burnette, Cawood, Clark, Curd, Davenport, Dawahare, Donnermeyer, Dunn, Foster, Hancock, Head, Heleringer, Hines, Holloway, Isler, Noe, Patrick, Pearman, Petty, Priddy, Rapier, Richards, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Williams, Yates. Nays 40-Adams, Allen, Bendl, Blandford, Bronger, Caldwell, Clarke, Craddock, Crupper, Cyrus, DeFalaise, DeMarcus, Deskins, Ellington, Farrow, Freibert, Fryman, Haering, Holbrook, Jones, LeMaster, List, Little, Mann, McBee, McKinney, McNutt, Moberly, Morris, O'Brien, Overstreet, Rattliff, Reynolds, P. Richardson, Riner, Robinson, Stumbo, Tobin, White, Wilborn.

HB 738, as amended, was defeated.

Representative DeMarcus moved that the vote by which **HB 738,** as amended, was defeated be reconsidered and said motion be postponed indefinitely.

On the roll call the vote was yeas 28-Allen, Barrows, Blandford, Clarke, Craddock, Crupper, Davenport, DeFalaise, DeMarcus, Deskins, Donnermyer, Ellington, Farrow, Fryman, LeMaster, McNutt, O'Brien, Overstreet, Petty, Plummer, Rattliff, Reynolds, P. Richardson, Robinson, Stumbo, Tobin, White, Wilborn. Nays 40-Adams, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Burch, Burnette, Caldwell, Cawood, Clark, Curd, Cyrus, Dawahare, Dunn, Freibert, Gray, Head, Heleringer, Hines, Holbrook, Isler, Lundergan, Mann, Morris, Noe, Patrick, Pearman, Priddy, Richards, B. Richardson, Riner, Romines, Sale, Smith, Van Horn, Weinberg, Williams, Yates.

The motion that the vote by which **HB 738,** as amended, was defeated be reconsidered and said motion be postponed indefinitely was rejected.

HB 753 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stumbo moved that **HB 753** be passed.

On the roll call the vote was yeas 74-Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Ellington, Farrow, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, LeMaster, List, Mann, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Richards, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 9-Fryman, Little, McKinney, Patrick, Rattliff, Reynolds, Robinson, Turner, Worthington.

HB 753 was passed and the title agreed to.

Representative Stumbo moved that the vote by which **HB 753** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 754 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stumbo moved that **HB 754** be passed.

On the roll call the vote was yeas 63-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Deskins, Donnermeyer, Farrow, Freibert, Gray, Head, Heleringer, Hines, Isler, Jones, Kenton, LeMaster, Lewis, List, Mann, McBee, Moberly, Morris, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 19-Allen, Blythe, Crupper, Davenport, Dawahare, DeMarcus, Foster, Fryman, Holloway, Little, McKinney, McNutt, Patrick, Reynolds, P. Richardson, Robinson, Turner, Van Horn, White.

HB 754 was passed and the title agreed to.

Representative Stumbo moved that the vote by which **HB 754** be passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 766, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson move that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved the adoption of the Committee Amendment No. 1 to **HB 766.** Agreed.

Representative White moved the adoption of the Committee Amendment No. 2 to **HB 766.** Agreed.

Speaker Kenton presiding.

Representative Richards moved that **HB 766,** as amended, be passed.

On the roll call the vote was yeas 82-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, List, Little, Mann, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Schmidt, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 1-Clarke.

HB 766, as amended, was passed and the title agreed to.

Representative Richards moved the vote by which **HB 766,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Recess

Representative B. Richardson moved that the House recess for five minutes.

On the roll call the vote was yeas 48-Adams, Arnold, Barrows, Bendl, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Farrow, Foster, Freibert, Hancock, Head, Hines, Isler, Kenton, Kidd, LeMaster, Mann, McKinney, Nett, O'Brien, Pearman, Petty, Priddy, Rapier, Reynolds, B. Richardson, Riner, Stone, Stumbo, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Worthington, Yates. Nays 16-Blair, Davenport, DeMarcus, Fryman, Guenthner, Heleringer, Holbrook, Holloway, List, Overstreet, Patrick, Plummer, Robinson, Schmidt, Turner, Wright.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Recess

Representative Richardson moved that the House recess until 7:15 p.m.

On the roll call the vote was yeas 35-Arnold, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Bruce, Cawood, Craddock, Curd, Davenport, Donnermeyer, Farrow, Foster, Gray, Head, Holloway, Isler, Kenton, Kidd, Little, Morris, Pearman, Petty, Plummer, Priddy, Rapier, B. Richardson, Romines, Thomason, Turner, Weinberg, White, Yates. Nays 20-Barrows, Blandford, Burch, Clarke, DeFalaise, Hines, Jones, LeMaster, Lewis, McBee, McKinney, Moberly, O'Brien, Overstreet, Patrick, P. Richardson, Schmidt, Van Horn, Wilborn, Wright.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Senate Message

Announcing passage of **SB 257, SB 282, SB 288, SB 341, HB 87, HB 316, HB 318, HB 324, HB 360, HB 436, HB 547, HB 600, HR 37, HCR 57, HB 38** with Senate Amendment, **HB 235** with Senate Amendment, **HB 498** with Senate Amendment, **HB 566** with Senate Amendment, and **HB 86** with Senate Amendment.

Orders of the Day (Cont.)

HB 796, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved that **HB 796** be passed.

Representative Blythe moved the adoption of the Floor Amendment No. 1 to **HB 796.** Agreed.

Representative Hancock moved that **HB 796,** as amended, be passed.

On the roll call the vote was yeas 70-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, McBee, Morris, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Yates. Nays 0.

HB 796, as amended, was passed and the title agreed to.

Representative Hancock moved that the vote by which **HB 796** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 853 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved that **HB 853** be passed.

On the roll call the vote was yeas 69-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, McBee, McKinney, Moberly, Morris, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Yates. Nays 4-Allen, Davenport, Little, Patrick.

HB 853 was passed and the title agreed to.

Representative Brinkley moved that the vote by which **HB 853** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 874 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bronger moved that **HB 874** be passed.

On the roll call the vote was yeas 58-Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Hancock, Head, Heleringer, Holbrook, Isler, Kenton, Lewis, Little, Mann, McBee, McKinney, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Yates. Nays 15-Adams, Allen, Arnold, Ellington, Freibert, Haering, LeMaster, List, Lundergan, Morris, Noe, Rattliff, Robinson, Smith, Stumbo.

HB 874 was passed and the title agreed to.

Representative Bronger moved that the vote by which **HB 874** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 844 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mann moved that **HB 844** be passed.

On the roll call the vote was yeas 43-Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Cawood, Clark, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Haering, Hancock, Heleringer, Isler, Johnson, Kenton, Kidd, Lewis, Lundergan, Mann, McBee, Moberly, Noe, Petty, Priddy, Rapier, Richards, B. Richardson, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, Wilborn, Yates. Nays 35-Adams, Allen, Bruce, Burch, Burnette, Caldwell, Clapp, Craddock, Crupper, Cyrus, Dawahare, Deskins, Ellington, Foster, Freibert, Fryman, Gray, Guenthner, Head, Layman, LeMaster, List, Little, McKinney, McNutt, Overstreet, Patrick, Pearman, Plummer, Rattliff, P. Richardson, Riner, Robinson, Sale, Turner.

HB 844 was passed and the title agreed to.

Representative Mann moved that the vote by which **HB 844** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 909 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blandford moved that **HB 909** be passed.

On the roll call the vote was yeas 81-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clark, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, Moberly, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Yates. Nays 1-Cawood.

HB 909 was passed and the title agreed to.

Representative Blandford moved that the vote by which **HB 909** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 919, with Committee Amendment attached thereto, taken from Orders of the day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Worthington moved the adoption of the Committee Amendment No. 1 to **HB 919.** Agreed.

Representative Worthington moved that **HB 919,** as amended, be passed.

On the roll call the vote was yeas 79-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, Moberly, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Wilborn, Williams, Worthington, Yates. Nays 0.

HB 919, as amended, was passed and the title agreed to.

Representative Worthington moved that the vote by which **HB 919,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 936, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Boswell moved that **HB 936** be passed.

Representative Dunn moved the adoption of the Committee Amendment No. 1 to **HB 936.** Agreed.

Representative Smith moved the adoption of the Floor Amendment No. 1 to **HB 936.**

Representative Smith moved that Floor Amendment No. 1 to **HB 936** be withdrawn. Agreed.

Representative Boswell moved that **HB 936,** as amended, be passed.

On the roll call the vote was yeas 69-Adams, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Stone, Thomas, Thomason, Turner, Van Horn, White, Wilborn, Williams, Yates. Nays 3-Blair, DeMarcus, Priddy.

HB 936, as amended, was passed and the title agreed to.

Representative Boswell moved that the vote by which **HB 936**, as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HJR 34 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Adams moved that **HJR 34** be passed.

On the roll call the vote was yeas 80-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 1-Hancock.

HJR 34 was passed and the title agreed to.

Representative Adams moved that the vote by which **HJR 34** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 83 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Boswewll moved that **HCR 83** be passed.

On the roll call the vote was yeas 77-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Cyrus, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Yates. Nays 2-Guenthner, Haering.

HCR 83 was passed and the title agreed to.

Representative Boswell moved the vote by which **HCR 83** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 87 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Noe move that **HCR 87** be passed.

On the roll call the vote was yeas 82-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Gray, Guenthner, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 4-Foster, Haering, Hancock, Rattliff.

HCR 87 was passed and the title agreed to.

Representative Noe moved that the vote by which **HCR 87** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 94 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McBee moved that **HCR 94** be passed.

On the roll call the vote was yeas 73-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Cyrus, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Freibert, Fryman, Gray, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, Mann, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 6-Blair, Guenthner, Haering, Hancock, McNutt, Plummer.

HCR 94 was passed and the title agreed to.

Representative McBee moved that the vote by which **HCR 94** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HJR 104, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blandford moved that **HJR 104** be passed.

Representative Williams moved the adoption of the Floor Amendment No. 1 to **HJR 104.** Agreed.

Representative Blandford moved that **HJR 104,** and amended, be passed.

On the roll call the vote was yeas 81-Adams, Arnold, Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, Moberly, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 1-Hancock.

HJR 104 was passed and the title agreed to.

HB 414, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved the adoption of the Committee Substitute to **HB 414.** Agreed.

Representative Lundergan moved that **HB 414,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 78 Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Nett, O'Brien, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Stone, Thomas, Thomason, Turner, Van Horn, White, Wilborn, Williams, Worthington, Yates. Nays 2-Brown, DeMarcus.

HB 414, by way of Committee Substitute, was passed and the title agreed to.

Representative Lundergan moved that the vote by which **HB 414,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 563, with Committee Substitute and Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved the adoption of the Committee Substitute to **HB 563.** Agreed.

Representative Thomason moved that **HB 563,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 80-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 0.

HB 563, by way of Committee Substitute, was passed and the title agreed to.

Representative Arnold moved that the vote by which **HB 563,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 611, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Petty moved the adoption of the Committee Amendment No. 1 to **HB 611.** Agreed.

Representative Petty moved that **HB 611,** as amended, be passed.

On the roll call the vote was yeas 63-Adams, Allen, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Brown, Bruce, Burnette, Caldwell, Cawood, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Layman, Lewis, Little, Mann, McBee, Moberly, Nett, Noe, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 10-Craddock, Farrow, Freibert, Haering, LeMaster, List, Lundergan, McNutt, O'Brien, Wilborn.

HB 611, as amended, was passed and the title agreed to.

Representative Petty moved that the vote by which **HB 611,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 636 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gray moved that **HB 636** be passed.

On the roll call the vote was yeas 61-Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, Mann, McBee, Moberly, Nett, Noe, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, Riner, Romines, Sale, Smith, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 6-DeMarcus, Freibert, Fryman, Layman, O'Brien, Turner.

HB 636 was passed and the title agreed to.

Representative Gray moved that the vote by which **HB 636** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 637 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gray moved that **HB 637** be passed.

On the roll call the vote was yeas 72-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Holbrook, Isler, Johnson, Jones, Kenton, Layman, Lewis, Little, Lundergan, Mann, McBee, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, Wilborn, Williams, Yates. Nays 7-Blythe, DeMarcus, Fryman, Head, LeMaster, List, Robinson.

HB 637 was passed and the title agreed to.

Representative Gray moved that the vote by which **HB 637** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 638, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gray moved the adoption of the Committee Substitute to **HB 638.** Agreed.

Representative Gray moved that **HB 638,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 63-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Gray, Hancock, Heleringer, Isler, Jones, Kenton, Layman, LeMaster, Little, Mann, McBee, McKinney, Moberly, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 7-Blythe, Freibert, Lewis, List, Nett, Robinson, Wilborn.

HB 638 was passed and the title agreed to.

Representative Gray moved that the vote by which **HB 638** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 639 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gray moved that **HB 639** be passed.

On the roll call the vote was yeas 48-Adams, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Caldwell, Cawood, Clark, Curd, Cyrus, DeFalaise, Deskins, Donnermeyer, Dunn, Foster, Gray, Head, Isler, Kenton, Kidd, Little, Mann, McBee, Moberly, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, B. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 28-Barrows, Blair, Blythe, Burch, Craddock, Crupper, Davenport, DeMarcus, Farrow, Freibert, Fryman, Haering, Hancock, Heleringer, Jones, Layman, Lewis, List, Lundergan, McKinney, McNutt, Morris, Patrick, Rapier, Rattliff, P. Richardson, Robinson, Wilborn.

HB 639 was passed and the title agreed to.

Representative Gray moved that the vote by which **HB 639** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 704 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Speaker Pro Tempore presiding.

Representative Smith moved that **HB 704** be passed.

On the roll call the vote was yeas 73-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Burch, Caldwell, Cawood, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 2-Bruce, Pearman.

HB 704 was passed and the title agreed to.

Representative Smith moved that the vote by which **HB 704** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 713 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Deskins moved that **HB 713** be passed.

On the roll call the vote was yeas 53-Barrows, Bendl, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Cyrus, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Gray, Guenthner, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kidd, Lewis, Little, Lundergan, Mann, McBee, Moberly, Morris, Noe, Overstreet, Petty, Priddy, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomason, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 26-Adams, Allen, Bennett, Blair, Burch, Crupper, Curd, DeMarcus, Ellington, Foster, Freibert, Fryman, Haering, Jones, Layman, List, McKinney, McNutt, Patrick Pearman, Plummer, Rapier, Rattliff, Robinson, Thomas, Turner.

HB 713 was passed and the title agreed to.

Representative Deskins moved that the vote by which **HB 713** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 671, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mann moved the adoption of the Committee Amendment No. 1 to **HB 671.** Agreed.

Representative Mann moved that **HB 671,** as amended, be passed.

On the roll call the vote was yeas 63-Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Crupper, Cyrus, Davenport, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Layman, LeMaster, Lewis, List, Lundergan, Mann, McBee, McKinney, Moberly, Morris, Noe, Overstreet, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Robinson, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Wilborn, Williams, Yates. Nays 9-Allen, Curd, DeMarcus, Ellington, McNutt, Pearman, P. Richardson, Turner, Worthington.

HB 671, as amended, was passed and the title agreed to.

Representative Mann moved that the vote by which **HB 671,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 852 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 852** be passed.

On the roll call the vote was yeas 60-Adams, Arnold, Bendl, Bennett, Blair, Boswell, Bronger, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holloway, Isler, Johnson, Jones, LeMaster, Lewis, List, Mann, McBee, Moberly, Noe, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomason, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 13-Allen, Brown, DeMarcus, Holbrook, Layman, Little, McKinney, Morris, Robinson, Schmidt, Thomas, Turner, White.

HB 852 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 852** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 887 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved that **HB 887** be passed.

On the roll call the vote was yeas 70-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, LeMaster, Lewis, List, Little, Mann, McBee, McKinney, McNutt, Moberly, Morris, Nett, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Schmidt, Stone, Stumbo, Thomason, Weinberg, White, Wilborn, Williams, Yates. Nays 7-Freibert, Haering, Noe, Smith, Thomas, Turner, Worthington.

HB 887 was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 887** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 894, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blythe moved the adoption of the Committee Substitute to **HB 894.**

On the roll call the vote was yeas 60-Adams, Arnold, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bruce, Burch, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Deskins, Ellington, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Heleringer, Holbrook, Holloway, Isler, Jones, Layman, LeMaster, Lewis, List, McBee, McKinney, McNutt, Moberly, Morris, Nett, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Schmidt, Stone, Thomas, Thomason, Weinberg, Wilborn, Williams, Yates. Nays 13-Bennett, Brown, Caldwell, Craddock, Dunn, Head, Noe, Overstreet, Romines, Smith, Stumbo, Van Horn, Worthington.

The Committee Substitute to **HB 894** was adopted.

Representative Blythe moved that **HB 894,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 60-Adams, Allen, Arnold, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, DeMarcus, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Layman, LeMaster, Lewis, List, Lundergan, McNutt, Moberly, Morris, Nett, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Schmidt, Smith, Stone, Thomason, Turner, Wilborn, Yates. Nays 20-Barrows, Bennett, Caldwell, Deskins, Donnermeyer, Dunn, Haering, Little, McBee, Noe, Overstreet, Robinson, Romines, Stumbo, Thomas, Van Horn, Weinberg, White, Williams, Worthington.

HB 894, by way of Committee Substitute, was passed and the title agreed to.

Representative Blythe moved that the vote by which **HB 894,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Speaker Kenton presiding.

HB 918 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Guenthner moved that **HB 918** be passed.

On the roll call the vote was yeas 74-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, DeFalaise, Deskins, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Morris, Nett, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, White, Wilborn, Williams, Worthington, Yates. Nays 6-Boswell, Donnermeyer, Dunn, Noe, Overstreet, Stumbo.

HB 918 was passed and the title agreed to.

Representative Guenthner moved that the vote by which **HB 918** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 955 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Yates moved that **HB 955** be passed.

On the roll call the vote was yeas 66-Adams, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, McKinney, Morris, Nett, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Romines, Smith, Stone, Thomas, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 8-Barrows, Caldwell, DeMarcus, Moberly, Noe, Robinson, Stumbo, Wilborn.

HB 955 was passed and the title agreed to.

Representative Yates moved that the vote by which **HB 955** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 830, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cawood moved the adoption of the Committee Substitute to **HB 830.** Agreed.

Representative Lewis moved the adoption of the Floor Amendment No. 3 to **HB 830.** Agreed.

Representative Lewis moved the adoption of the Floor Amendment No. 3 to **HB 830.** Agreed.

Representative Cawood moved that **HB 830,** by way of Committee Substitute as amended, be passed.

Representative Dawahare moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 830.**

On the roll call the vote was yeas 24-Allen, Blythe, Clark, Crupper, Dawahare, DeFalaise, Fryman, Haering, Hancock, Holbrook, Johnson, Layman, Little, McBee, McKinney, Patrick, Pearman, Plummer, P. Richardson, Riner, Turner, Van Horn, White, Yates. Nays 37-Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Caldwell, Cawood, Davenport, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Guenthner, Head, Isler, Jones, Kenton, LeMaster, List, Mann, Moberly, Morris, Noe, Priddy, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Weinberg, Wilborn, Williams.

Floor Amendment No. 2 to the Committee Substitute to **HB 830** was rejected.

Representative Cawood moved that **HB 830,** by way of Committee Substitute as amended, be passed.

Representative Robinson moved the adoption of the Floor Amendment No. 4 to the Committee Substitute to **HB 830.**

On the roll call the vote was yeas 35-Bennett, Blandford, Blythe, Boswell, Brinkley, Caldwell, Cawood, Crupper, Davenport, Dawahare, Ellington, Foster, Freibert, Fryman, Haering, Hancock, Kenton, Layman, Lewis, List, Morris, Pearman, Plummer, Richards, B. Richardson, Robinson, Romines, Stone, Stumbo. Turner, Van Horn, Weinberg, White, Wilborn, Williams. Nays 28-Allen, Barrows, Bronger, Bruce, Curd, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Guenthner, Head, Heleringer, Holbrook, Holloway, Isler, Jones, LeMaster, Little, Lundergan, Mann, McBee, McKinney, Moberly, Petty, Priddy, Thomas, Thomason.

Floor Amendment No. 4 to the Committee Substitute to **HB 830** was adopted.

Representative Cawood moved that **HB 830,** by way of Committee Substitute as amended, be passed

On the roll call the vote was yeas 79-Adams, Allen, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, LeMaster, Lewis, List, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, B. Richardson, P. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 1-Turner.

HB 830, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative Cawood moved that the vote by which **HB 830,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Speaker Pro Tempore Hancock presiding.

HB 967 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Crupper moved that **HB 967** be passed.

On the roll call the vote was yeas 76-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Morris, Nett, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Wilborn, Williams, Worthington, Yates. Nays 2-Fryman, Noe.

HB 967 was passed and the title agreed to.

Representative Crupper moved that the vote by which **HB 967** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that consideration of all Bills and Resolutions remaining in Orders of the Day be deferred and that they retain their position. Agreed.

Motions, Petitions, and Communications

Representative Morris moved that the vote on **HB 818** be reconsidered and that it be placed in Orders of the Day.

On the roll call the vote was yeas 51-Adams, Arnold, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Caldwell, Cawood, Clapp, Craddock, Crupper, Dawahare, Donnermeyer, Foster, Freibert, Gray, Head, Hines, Holbrook, Holloway, Kenton, Layman, LeMaster, List, Lundergan, Mann, McKinney, Moberly, Morris, Patrick, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Thomas, Thomason, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 11-DeFalaise, Dunn, Haering, Heleringer, Isler, Johnson, McNutt, Noe, O'Brien, Stumbo, Van Horn.

The motion that the vote on **HB 818** be reconsidered and that it be placed in Orders of the Day was adopted.

Representative McBee moved that the vote on **HB 738** be reconsidered and that it be placed in Orders of the Day.

On the roll call the voted was yeas 41-Adams, Arnold, Blandford, Blythe, Boswell, Brinkley, Bruce, Burch, Cawood, Clapp, Crupper, Curd, Dawahare, DeFalaise, Donnermeyer, Dunn, Foster, Gray, Head, Hines, Holloway, Isler, Mann, McBee, Morris, Noe, Pearman, Petty, Priddy, Richards, P. Richardson, Riner, Romines, Smith, Thomas, Turner, Van Horn, Weinberg, Williams, Worthington, Yates. Nays 13-Caldwell, Deskins, Ellington, Farrow, Fryman, Holbrook, LeMaster, List, McNutt, Overstreet, Rattliff, Stumbo, Wilborn.

The motion that the vote on **HB 738** be reconsidered and it be placed in Orders of the Day was adopted.

Representative Holloway moved that the vote on **HB 659** be reconsidered and that it be placed in Orders of the Day.

On the roll call the vote was yeas 35-Barrows, Bendl, Bennett, Blandford, Boswell, Bronger, Cawood, Clark, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Gray, Heleringer, Hines, Isler, List, Mann, McBee, Moberly, Noe, Pearman, Petty, Priddy, Rapier, Romines, Smith, Stumbo, Thomas, Van Horn, Weinberg, Wilborn, Williams, Yates. Nays 18-Allen, Caldwell, Craddock, DeFalaise, Deskins, Ellington, Farrow, Foster, Freibert, Fryman, Haering, LeMaster, McNutt, Overstreet, Plummer, Robinson, Thomason, Turner.

The motion that vote on **HB 659** be reconsidered and that it be placed in Orders of the Day was adopted.

Representative Donnermeyer moved that **HB 864** be taken from the Clerk's desk and placed in Orders of the Day.

On the roll call the vote was yeas 49-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Burch, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Ellington, Farrow, Freibert, Gray, Haering, Heleringer, Holbrook, Isler, Jones, List, McBee, Moberly, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Richards, Robinson, Smith, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Williams, Yates. Nays 1-Holloway.

The motion that **HB 864** be taken from the Clerk's desk and placed in Orders of the Day was adopted.

Representative List moved that the vote on **HB 586** be reconsidered and that it be placed in Orders of the Day.

On the roll call the vote was yeas 37-Barrows, Bendl, Bennett, Blythe, Bronger, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, LeMaster, List, Lundergan, Mann, McBee, Moberly, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Romines, Schmidt, Smith, Thomason, Wilborn, Williams Worthington, Yates. Nays 28-Blandford, Boswell, Caldwell, Clapp, Clark, Crupper, Curd, Ellington, Farrow, Foster, Fryman, Haering, Johnson, Layman, Morris, Overstreet, Pearman, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Stone, Turner, Van Horn, Weinberg, White.

The motion that the vote was **HB 586** be reconsidered and that it be placed in Orders of the Day was rejected.

The following Floor Amendments to Bills and Resolutions were filed:

Floor Title Amendment to the Committee Substitute to **HB 109,** by Representative Wilborn:

Amend printed copy of Committee Substitute to **HB 109** on page 1, Title line, after "amendment" delete the remainder of the title in its entirety and insert in lieu thereof "to the Constitution of Kentucky relating to property taxation."

Floor Amendment No. 1 to the Committee Substitute to **HB 109,** by Representative Wilborn:

Amend printed copy of Committee Substitute for **HB 109** on page 3, by inserting after line 9, the following:

"Section 2. IT IS PROPOSED THAT THE CONSTITUTION OF KENTUCKY BE AMENDED BY CREATING A NEW SECTION THEREOF TO READ AND BE NUMBERED AS FOLLOWS:

Section 172B. Notwithstanding contrary provisions of Sections 170, 171, 172, or 174 of this Constitution, the General Assembly may provide by general law that the governing bodies of county, municipal, and urban-county governments may declare property assessment or reassessment moratoriums for qualifying units of real property for the purpose of encouraging the repair, rehabilitation, restoration of existing improvements thereon. Prior to the enactment of any property assessment or reassessment moratorium program, the General Assembly shall provide or direct the local governing authority to provide property qualification standards for participation in the program and a limitation on the duration of any assessment or reassessment moratorium. In no instance shall any such moratorium extend beyond five years for any particular unit of real property and improvements thereon."

and on page 3, line 10, by changing "Section 2." to "Section 3."

Floor Amendment No. 1 to the Committee Substitute to **HB 489,** by Representative Overstreet:

Amend printed copy of Committee Substitute for **HB 489** on page 1, by deleting lines 18, 19 and 20 in their entirety;

and by deleting pages 2, 3 and 4 in their entirety;

and on page 5, by deleting lines 1 through 12 in their entirety;

and on page 5, line 13, by changing "Section 3" to "Section 2";

and on page 6, by inserting after line 13 "*(23) Fortieth Judicial District.*

and on page 6, lines 14 through 21, by renumbering "*(23)* through *(30)*" to be "*(24)* through *(31)*";

and on page 6, line 22, by changing "Section 4" to "Section 3";

and on page 6, lines 23 and 26, by inserting after "judges" the following: ", district judges";

and on page 7, line 3, by changing "Section 5" to "Section 4";

and on page 7, line 10, by deleting "$957,372" and inserting in lieu thereof "$1,026,588";

and on page 7, line 11, by deleting "$918,764" and inserting in lieu thereof "$985,209".

Floor Amendment No. 39 to the Committee Substitute to **HB 532,** by Representative Cyrus:

Amend printed copy of Committee Substitute to **HB 532** on page 12, line 12, delete "one (1) year" and insert: "*two (2) years*".

Floor Amendment No. 40 to the Committee Substitute to **HB 532,** by Representative Cyrus:

Amend printed copy of Committee Substitute to **HB 532** on page 3, line 13 and 14, delete: "*and is actually dependent*".

Floor Amendment No. 41 to the Committee Substitute to **HB 532,** by Representative Cyrus:

Amend printed copy of Committee Substitute to **HB 532** on page 12, following line 14, insert the following new section:

"Section 9. KRS 342.186 is amended to read as follows:

An employer shall notify any employe who has received an injury or illness of the statute of limitations applicable to the injury or illness, not *more than ninety (90) days nor earlier* [later] than thirty (30) days prior to the expiration date."

Renumber the subsequent sections accordingly.

Floor Amendment No. 42 to the Committee Substitute to **HB 532,** by Representative Cyrus:

Amend printed copy of Committee Substitute to **HB 532** on page 10, lines 20 and 21, delete "*all parties*";

and on page 10, line 21 and 22, delete the brackets;

and on page 10, line 23, delete the "*all parties*";

and on page 10, lines 23 and 24, delete the brackets.

Floor Amendment No. 1 to **HB 817,** by Representative Heleringer:

Amend printed copy of **HB 817** on page 2, line 5, after the word "provision" insert the words "and regulation" and after the word "hospitals," insert the word "clinics,".

Floor Amendment No. 6 to **HB 864,** by Representative Burnette:

Amend printed copy of **HB 864** on page 28, after line 17, add the following:

"SECTION 10. A NEW SECTION OF KRS CHAPTER 341 IS CREATED TO READ AS FOLLOWS:

(1) All employers shall deduct from each employee's paycheck an amount equal to the amount paid by the employer in unemployment insurance contributions for that employee for that pay period. This amount shall be forwarded to the department at the next regular accounting date after the deduction is so withheld, along with the employer's regular contribution.

(2) The Director of Unemployment Insurance shall promulgate such regulations as are necessary to implement this section."

Floor Amendment No. 1 to **HB 972,** by Representative Yates:

Amend printed copy of **HB 972** on page 11, by inserting at the end of line 18 the following:

"Section 6. KRS 244.040 is amended to read as follows:

(1) No brewer or distributor shall furnish or deliver any bottled malt beverage without collecting a minimum container charge or deposit of sixty cents (60¢) per case of twenty-four (24) twelve-ounce bottles or the equivalent thereof, in the same manner that the price of the malt beverage is collected.

(2) This section shall not prohibit a licensee from crediting to a purchaser the actual prices charged for packages or containers returned by the original purchaser as a credit on any sale, or from refunding to any purchaser the amount paid by the purchaser for containers or as a deposit on containers when the title is retained by the vendor, if the containers or packages have been returned to the brewer or distributor.

(3) No right of action shall exist to collect any claim for credit extended contrary to this section."

Floor Amendment No. 2 to the Committee Substitute to **HB 970,** by Representative Dawhare:

Amend printed copy of Committee Substitute for **HB 970** on page 1, line 15, by deleting "*1981*" and inserting "*1980*" in lieu thereof;

and on page 1, line 20, delete "*1981*" and insert "*1980*" in lieu thereof;

and on page 2, line 15, after "*ments*" insert "*and to the School Building Authority pursuant to KRS 157.800 to KRS 157.990*";

and on page 5, line 16, after "*withheld*" insert the following:

"*(10) Monies allotted to the School Building Authority under this Act shall be for the construction and renovation of school buildings pursuant to the regulations of the authority in school districts in which: (a) the equalized assessed valuation per pupil in average daily attendance falls in the lower twenty-six percent (26%) of all of the state's school districts assessed valuation per pupil in average daily attendance; or (b) the district requires space for classrooms as a result of emergency situations. Districts qualifying for assistance as a result of such emergency shall assume highest priority among projects under consideration by the authority.*"

and on page 6, line 11, after "follows" insert "*after funds in subsection 3 of this section have been allotted to the School Building Authority*";

and on page 7, line 10, after "*county.*" insert "*(3) $3,500,000 shall be allotted in fiscal year 1980-81 and each year thereafter to the School Building Authority pursuant to the provisions of subsection (2) of this Act*".

Floor Amendment No. 43 to the Committee Substitute to **HB 532,** by Representative Clapp:

Amend printed copy of Committee Substitute for **HB 532** on page 25, line 25, by bracketing "non-coal worker's";

and on page 26, lines 14 and 15 by bracketing "non-coal worker's";

and on page 32, lines 8 to 18 by deleting all of the underlined material;

and on page 32, line 20 after "*losses,*" by adding "*]*";

and on page 32, line 21 by deleting "*]*".

Floor Amendment No. 44 to the Committee Substitute to **HB 532,** by Representative Moberly:

Amend printed copy of Committee Substitute to **HB 532** on page 44, line 13, delete "*eligible for*" and insert "*entitled to*";

on page 14, following "*act*" insert the following before the period: "*as determined by the agency of the federal government administering such program*".

Floor Amendment No. 45 to Committee Substitute to **HB 532,** by Representative Moberly:

Amend printed copy of Committee Substitute to **HB 532** on page 44, line 9, following "*period*" delete "," and insert: "*of one thousand five hundred and sixty (1560) weeks.*";

and on page 44, line 9, delete "*from the date the disability arises,*";

and on page 44, delete lines 10 and 11;

and on page 44, line 12 delete "*such*" and insert "*Such*".

Floor Amendment No. 46 to Committee Substitute to **HB 532,** by Representative Johnson:

Amend printed copy of Committee Substitute to **HB 532** on page 44, delete lines 4 through 8, and insert: "*mined under KRS 342.620(11), for a*".

Floor Amendment No. 47 to Committee Substitute to **HB 532,** by Representative Johnson:

Amend printed copy of Committee Substitute to **HB 532** on page 17, line 6, insert the following new "Section 12";

"Section 12. KRS 342.305 is amended to read as follows:

(1) Any party in interest may file in the circuit court of the county in which the injury occurred a certified copy of a memorandum of agreement approved by the board or of an order or decision of the board, or of an award of the board on appeal from, or an award of the board rendered upon an appeal whether or not there is a motion to reopen or review pending under KRS 342.125. The court shall render judgment in accordance therewith and notify the parties. Such judgment shall have the same effect, and all proceedings in relation thereto shall thereafter be the same as though it had been rendered in a suit duly heard and determined by that court. Any such judgment, unappealed from or affirmed on appeal or modified in obedience to the mandate of the Court of Appeals shall be modified to conform to any decision of the board ending, diminishing or increasing any weekly payment under the provisions of KRS 342.125 upon a presentation to it of a certified copy of such decision.

(2) In any enforcement proceeding, pursuant to this section, the circuit court shall order the payment of reasonable attorney fees. Such attorney fees shall be assessed against the party or parties as determined by the court based upon said party or parties' failure to comply with the order of the board."

and, renumber remaining sections accordingly.

Floor Amendment No. 48 to Committee Substitute to **HB 532,** by Representative Johnson:

Amend printed copy of Committee Substitute to **HB 532** on page 12, following line 14, insert the following:

"Section 9. KRS 342.186 is amended to read as follows:

The board [An employer] shall notify any employe who has received an injury or illness of the statute of limitations applicable to the injury or illness, not later than thirty days prior to the expiration date.", and renumber the subsequent sections accordingly;

and on page 57, delete lines 23 and 24.

Floor Amendment No. 49 to Committee Substitute to **HB 532,** by Representative Deskins:

Amend printed copy of Committee Substitute to **HB 532** on page 20, line 6, by deleting "*ninety (90)*" and delete the brackets around "sixty (60)".

Floor Amendment No. 1 to **HB 732,** by Representative Blythe:

Amend printed copy of **HB 732** on page 24, after line 5, by inserting the following:

"SECTION 10. A NEW SECTION OF KRS CHAPTER 139 IS CREATED TO READ AS FOLLOWS:

(1) Thirty-five percent (35%) of the gross receipts from the sales of mobile homes as defined in Section 1(9) of this Act shall be excluded from the computation of the amount of taxes imposed by the provisions of KRS 139.470 when the purchaser of such mobile home swears to the seller, in an affidavit for the department of revenue, that such mobile home will be used as the taxpayer's principal place of residence.

(2) There shall be a penalty of fifteen percent (15%) of the taxes due plus interest at a rate of one percent (1%) per month against any taxpayer who has made a fraudulent affidavit referred to in subsection (1) of this section.

Floor Amendment No. 1 to **HB 779,** by Representative Bendl:

Amend printed copy of **HB 779** on page 4, line 12, delete the words "*the circuit court is not in session*" and substitute in lieu thereof the words "*no judge of that circuit court is present in the county*";

and on page 10, line 7, after the word "*district*" insert the words "*in circuit*";

Floor Amendment No. 1 to Committee Substitute to **HB 968,** by Representative Dawahare:

Amend printed copy of Committee Substitute to **HB 968** on page 18, line 2, after "oil." insert:

"SECTION 18. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

Beginning July 1, 1980 and each year thereafter, $3,500,000 of the revenue collected under the provisions of this Act shall be allotted to the School Building Authority for the construction and renovation of school buildings pursuant to KRS 157.800 to KRS 157.990 in school districts in which: (a) the equalized assessed valuation per pupil in average daily attendance falls in the lower twenty-six percent (26%) of all the state's school districts assessed valuation per pupil in average daily attendance; or (b) the district requires space for classrooms as a result of natural disasters or other emergency situations as defined by the state board for elementary and secondary education. Districts qualifying for assistance as a result of such emergency shall assume highest priority among projects under consideration by the authority.

and on page 18, line 3, delete "18" and insert "19".

Floor Amendment No. 3 to Committee Substitute to **HB 970,** by Representative Dawahare:

Amend printed copy of Committee Substitute for **HB 970** on page 1, line 15, by deleting "*1981*" and inserting "*1980*" in lieu thereof;

and on page 1, line 20, delete "*1981*" and insert "*1980*" in lieu thereof;

and on page 2, line 10, after "*subsection.*" insert:

"*(4) Of the amount provided in subsection (2) of section (1) of this Act an appropriation of $2,000,000 is made to the Kentucky School Building Authority in addition to any other appropriation made for the purpose of financing all or any part of a school building project in any coal producing county which is necessitated by any extreme emergency or dire need which results from a calamitous or unusual situation and causes the improper housing of school age pupils.*

(5) A classification system designed to provide guidelines, criteria and regulations to implement the programs provided by this appropriation shall be developed jointly by the School Building Authority and the appropriate interim legislative oversight committee.

(6) Any school district receiving assistance under the provisions of this section shall in the year it receives assistance and in each nine (9) subsequent years levy a general fund ad valorem tax equal to the average general ad valorem tax levied by all school districts and the tax levying authority of a district

receiving assistance under the provisions of this Act is authorized to levy a general fund ad valorem tax equal to the average ad valorem tax levied by all the school districts in the state."

Floor Amendment No. 4 to Committee Substitute to **HB 970,** by Representative Dawahare.

Amend printed copy of Committee Substitute for **HB 970** on page 1, line 15, delete "*1981*" and insert "*1980*" in lieu thereof;

and on page 1, line 20, delete "*1981*" and insert "*1980*" in lieu thereof.

Floor Amendment No. 1 to **HB 858,** by Representative Bendl:

Amend printed copy of **HB 858** on page 8, line 6, insert the following:

"SECTION 6. A NEW SECTION OF KRS CHAPTER 153 IS CREATED TO READ AS FOLLOWS:

(1) In addition to the three percent (3%) transient room tax authorized by KRS 83.350 an urban county government may levy an additional transient room tax not to exceed one percent (1%) of the rent for every occupancy of a suite, room or rooms, charged by all persons, companies, corporations or other like or similar persons, groups or organizations doing business as motor courts, motels, hotels, inns or like or similar accommodations' businesses.

(2) All additional monies collected from the tax authorized by Paragraph (1) shall be applied toward the retirement of bonds used to finance the Lexington Center Corporation. Revenues received after retirement of the bonds mentioned herein shall be used to promote tourism within the jurisdiction of the urban county government.

Floor Amendment No. 1 to **SB 102,** by Representative Stone:

Amend printed copy of **SB 102** on page 2, line 21, by placing brackets around "1978";

and on line 22, by inserting "*$11,000*" and by adding brackets around "$9,000";

and on line 23, by inserting "*16,000*" and by adding brackets around "14,000";

and on line 24, by inserting "*19,000*" and by adding bracket around "17,000;

and on line 25, by inserting "*21,000*" and by adding brackets around "19,000";

and on line 26, by inserting "*22,000*" and by adding brackets around "20,000";

and on page 3, line 1, by inserting "*23,000*" and by adding brackets around "21,000";

and on line 2, by inserting "*23,500*" and by adding brackets around "21,500";

and on line 3, by inserting "*24,000*" and by adding brackets around "22,000";

and on line 4, by inserting "*24,500*" and by adding brackets around "22,500";

and on line 5, by inserting "*27,000*" and by adding brackets around "25,000";

and on page 3, between lines 5 and 6, to add the following:

"*(2) In the event that the salary of a circuit clerk is equal to or in excess of the amount shown in subsection (1) of this Section, then the salary of the circuit clerk shall be two thousand dollars ($2,000) greater than the annual salary actually received as of the effective date of this Act.*

and on page 3, line 6, by changing "*(2)*" to "*(3)*";

and on page 3, line 19, by adding a "[" before the word "For";

and on page 4, line 22, by adding a "]" after the word "category."

Floor Amendment No. 50 to Committee Substitute to **HB 532**, by Representative Deskins:

Amend printed copy of Committee Substitute to **HB 532** on page 1, line 1, through page 58, line 1, delete Sections 1 through 27 in their entirety and renumber the subsequent sections accordingly.

Floor Title Amendment to the Committee Substitute to **HB 970**, by Representative Noe:

Amend printed copy of Committee Substitute for **HB 970** on page 1, Title line, by amending the title to read as follows: "AN ACT relating to local government economic assistance."

Floor Amendment No. 5 to Committee Substitute to **HB 970**, by Representative Noe:

Amend printed copy of Committee Substitute for **HB 970** on page 1, by striking after the enacting clause and substituting the following:

"SECTION 1. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) Monies allocated in accordance with KRS 42.300, 42.310, 42.325-42.370, 45.045, 177.960 and 177.970 shall be made so as to be in compliance with the regulations of the U.S. department of treasury so that the portion received by the local governmental unit may be used as local tax effort as it relates to local revenue sharing allocations.

(2) The department for local government shall assure that the public hearings required for federal general revenue sharing guidelines are met for the expenditure of funds received under subsection (1) of this section.

(3) Monies allocated in accordance with subsection (1) of this section may be used as the local portion to secure federal programs and for the repayment of debt as related to long-term bond issues."

Floor Amendment No. 1 to **HB 863** by Representative Romines:

Amend printed copy of **HB 863** on page 10, line 17, by adding the following:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 174IS CREATED TO READ AS FOLLOWS:

(1) The secretary of the department of transportation is authorized to fix a reasonable fee, by regulation, to be paid by applicants for a general or specific permit to transport hazardous material through the Commonwealth, and for the renewal of such permit.

(2) All fees collected by the department under the provisions of this Act shall be paid into the state treasury and credited to a trust and agency fund to be used in carrying out the provisions of this Act.

and on page 11, line 2, "Section 7." becomes "Section 8.";

and on page 16, line 19, "Section 8." becomes "Section 9.".

Floor Amendment No. 1 to **HB 818**, by Representative Heleringer:

Amend printed copy of **HB 818** by adding the following:

"Whereas all other loan institutions are able to charge high interest rates at this time, an emergency is declared to exist and this bill shall become law immediately upon its signing by the Governor."

Floor Amendment No. 2 to **HB 835**, by Representative Dawahare:

Amend printed copy of **HB 835** on page 20, after line 23, by adding the following:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 350 IS CREATED TO READ AS FOLLOWS:

The House of Representatives, Natural Resources and Environment Committee shall serve as an oversight committee for all expenditures pursuant to monies returned to the state as a result of the abandoned mine reclamation fund."

Representative B. Richardson moved that no other business be conducted on this day other than report of Committees and Introduction of Resolutions.

On the roll call the vote was yeas 43-Adams, Arnold, Barrows, Blandford, Boswell, Bronger, Caldwell, Cawood, Clapp, Clark, Curd, DeFalaise, Donnermeyer, Farrow, Foster, Freibert, Fryman, Head, Holbrook, Holloway, Isler, Johnson, List, May, Nett, O'Brien, Patrick, Pearman, Petty, Rapier, Rattliff, Richards, B. Richardson, Robinson, Romines, Schmidt, Stone, Stumbo, Thomason, Turner, Weinberg, Wilborn, Yates. Nays 10-Blythe, Deskins, LeMaster, Noe, Priddy, Smith, Thomas, Van Horn, White, Worthington.

The motion that no other business be conducted on this day other than report of Committees and Introduction of Resolution was adopted.

Introduction of Resolutions

HR 123, by Representative Mann: A RESOLUTION urging the energy committee, during the 1980-82 interim, to study alternate energy sources.

HR 124, by Representative Rapier: A RESOLUTION honoring Bardstown, Kentucky on its Bicentennial.

HR 125, by Representative Bruce and Morris: A RESOLUTION condemning the Tennessee Valley Authority and its Chairman, Mr. David Freeman, for their proposed electricity rate increases.

Reference of Bills and Resolutions

The Clerk announced the Committee on Committees has referred **SB 38** to the Committee on Energy.

Posting of Bills and Resolutions for Consideration

The Clerk reported the following Bills and Resolutions have been posted for Committee consideration:

Education: **SB 72.**

State Government: **SB 243, HB 108, SB 284, SB 386, SR 42, SB 33, HJR 121, SB 293, SB 300.**

Transportation: **HB 641, HB 826, SB 200.**

Judiciary: **SB 277, SB 309.**

Health and Welfare: **HB 777.**

Counties and Special Districts: **SB 308.**

Appropriations and Revenue: **HB 829, SB 265, SB 287.**

Cities: **SB 210.**

Report of Committees

The Committee on Appropriations and Revenue reported **HB 968** with Committee Substitute attached thereto, **HB 970** with Committee Substitute attached thereto, **HB 973** with Committee Substitute attached thereto, and **HB 245** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee Substitute to **HB 968** is as follows:

HB 968, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 143A IS HEREBY ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

(1) "Department" means the department of revenue.

(2) "Natural resource" means all forms of minerals including but not limited to rock, stone, limestone, shale, gravel, sand, clay, fluorspar, zinc, natural gas, and natural gas liquids which are contained in or on the soils or waters of this state. For purposes of this chapter, "natural resource" does not include coal and oil which are taxed under KRS 143.020 and 137.120.

(3) "Severing" or "severed" means the physical removal of the natural resource from the earth or waters of this state by any means; however, "severing" or "severed" shall not include the removal of natural gas from underground storage facilities into which the natural gas has been mechanically injected following its initial removal from the earth.

(4) "Taxpayer" means and includes any individual, partnership, joint venture, association, corporation, receiver, trustee, guardian, executor, administrator, fiduciary, or representative of any kind engaged in the business of severing and/or processing natural resources in this state for sale or use. In instances where contracts, either oral or written, are entered into whereby persons, organizations or businesses are engaged in the business of severing and/or processing a natural resource but do not obtain title to or do not have an economic interest therein, the party who owns the natural resource or has an economic interest is the taxpayer.

(5) "Gross value" is synonymous with gross income from property as defined in section 613(c) of the Internal Revenue Code and regulations 9.613-3 and 1.613-4 in effect on December 31, 1977, with the exception that in all instances transportation expense (whether or not by common carrier) incurred in transporting a natural resource shall not be considered as gross income from the property. Gross value is to be reported as follows:

(a) For natural resources severed and/or processed and sold during a reporting period, gross value is the amount received or receivable by the taxpayer.

(b) For natural resources severed and/or processed, but not sold during a reporting period, gross value shall be determined as follows:

1. If the natural resource is to be sold under the terms of an existing contract, the contract price shall be used in computing gross value.

2. If there is no existing contract, the fair market value for that grade and quality of the natural resource shall be used in computing gross value.

(c) In a transaction involving related parties, gross value shall not be less than the fair market value for natural resources of similar grade and quality.

(d) In the absence of a sale, gross value shall be the fair market value for natural resources of similar grade and quality.

(e) If severed natural resources are purchased for the purpose of processing and resale, the gross value is the amount received or receivable during the reporting period reduced by the amount paid or payable to the taxpayer actually severing the natural resource.

(f) If severed natural resources are purchased for the purpose of processing and consumption, the gross value is the fair market value of processed natural resources of similar grade and quality reduced by the amount paid or payable to the taxpayer actually severing the natural resource.

(g) In all instances, the gross value shall not be reduced by any taxes including the tax levied in Section 2 of this Act, royalties, sales commissions, or any other expense.

(6) "Processing" shall include but not be limited to breaking, crushing, cleaning, drying, sizing, or loading for shipment. "Processing" shall not include the act of unloading or loading for shipment natural resources that have not been severed, cleaned, broken, crushed, dried, sized or otherwise treated in Kentucky.

(7) "Related parties" means two (2) or more persons, organizations or businesses owned or controlled directly or indirectly by the same interests.

(8) "Economic interest" for the purpose of this chapter is synonymous with the economic interest ownership required by Internal Revenue Code, section 611 in effect on December 31, 1977, entitling the taxpayer to a depletion deduction for income tax purposes with the exception that a party who only receives an arm's length royalty shall not be considered as having an economic interest.

(9) "Charges for transporting" or "transportation expense" shall mean:

(a) The amount paid by a taxpayer to a third party for transporting to a customer natural resources taxed in Section 2 of this Act;

(b) The cost incurred by a taxpayer using his own facilities in transporting to a customer natural resources taxed under Section 2 of this Act;

(c) In no case shall transportation expenses include the cost of acquisition, improvements, or maintenance of real property or the cost of loading or unloading facilities.

SECTION 2. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) For the privilege of severing or processing natural resources in this state, a tax is hereby levied at the rate of four and one-half percent (4 ½%) on natural gas and four and one-half percent (4 ½%) on all other natural resources, such rates to apply to the gross value of the natural resource severed or processed.

(2) The tax shall apply to all taxpayers severing and/or processing natural resources in this state, and shall be in addition to all other taxes imposed by law.

SECTION 3. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

The taxes imposed in Section 2 of this Act do not apply to limestone when sold or used by the taxpayer for agricultural purposes so as to qualify for exemption from sales and use taxes as provided in KRS 139.480.

SECTION 4. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

The department of revenue shall administer the provisions of this Act and shall have all the powers, rights, duties and authority with respect to rules and regulations, collection, refunding and administration of the taxes levied by Section 2 of this Act conferred generally on it by the Kentucky Revised Statutes, including Chapters 131, 134 and 135 of such statutes.

SECTION 5. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) Every taxpayer as defined in Section 1 (4) of this Act shall, before June 1, 1980, or before engaging in the severing or processing of a natural resource subjected to tax under Section 2 of this Act, obtain a certificate of registration by filing with the department an application in such form and containing such information as the department may prescribe. Every application shall be signed by the owner if a natural person; in the case of an association or partnership, by a member or partner; in the case of a corporation, by an executive officer or some person specifically authorized by the corporation to sign the application.

(2) Whenever any taxpayer fails to comply with any provisions of Sections 1 through 16 of this Act or any rule or regulation of the department relating thereto, the department may suspend or revoke the certificate of registration held by such taxpayer.

(3) The Commonwealth may bring an action for a restraining order or a temporary or permanent injunction to restrain or enjoin operation of a taxpayer's business being operated without a certificate of registration. Such action may be brought in the Franklin circuit court or in the circuit court having jurisdiction of the taxpayer.

SECTION 6. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

Notwithstanding any other provisions of this chapter to the contrary:

(1) In the case of natural resources other than natural gas, where the department finds that it would facilitate and expedite the collection of the tax imposed under Section 2 of this Act, the department may authorize the taxpayer processing the natural resource to report and pay the tax which would be due from the taxpayer severing the natural resource. Authorization from the department shall be in the form of an agreement executed by the taxpayer processing the natural resource, the taxpayer severing the natural resource and the department. The agreement shall be in such form as the department may prescribe. The agreement must be signed by the owners if the taxpayers are natural persons; in the case of a partnership or association by a partner or member; in the case of a corporation, by an executive officer or some person specifically authorized by the corporation to sign the application. The director of the sales and severance tax division shall sign for the department. The agreement may be terminated by any party to the agreement upon giving thirty (30) days written notice to the other parties to the agreement; however, the department may terminate the agreement immediately upon written notice to the other parties when either the taxpayer processing the natural resource or the taxpayer severing the natural resource fails to comply with the terms of the agreement; and

(2)(a) In the case of natural gas, except for those cases where the person severing or severing and processing the natural gas will sell the gas to the ultimate consumer, the first person to purchase the natural gas after it has been severed, or in the event that the natural gas has been severed and processed before

the first sale, the first person to purchase the natural gas after it has been severed and processed, shall be liable for the tax imposed under Section 2 of this Act. He shall collect the taxes imposed from the person severing, or severing and processing, the natural gas, and he shall remit the taxes to the department. In those cases where the person severing or severing and processing the natural gas sells the gas to the ultimate consumer, the person so severing or severing and processing the natural gas shall be liable for the tax imposed under Section 2 of this Act.

(b) On or before the last day of the month following each calendar month, each person first purchasing natural gas as described in (a) above, shall report purchases of natural gas during the month, showing the quantities of gas purchased, the price paid, the date of purchase, and any other information deemed necessary by the department for the administration of the tax levied by Section 2 of this Act, and shall pay the amount of tax due, on forms prescribed by the department.

(c) On or before the last day of the month following each calendar month, each person severing, or severing and processing natural gas, shall report the sales of natural gas, showing the name and address of the person to whom sold, the quantity of gas sold, the date of sale, and the sales price on forms prescribed by the department.

SECTION 7. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) Whenever it is deemed necessary to insure compliance with Sections 1 through 16 of this Act, the department may require any taxpayer to post a cash or corporate surety bond.

(2) The amount of the bond shall be fixed by the department but, except as provided in subsection (3) of this section, shall not be greater than three (3) times the average quarterly liability of taxpayers filing returns for quarterly periods, five (5) times the average monthly liability of taxpayers required to file returns for monthly periods, or two (2) times the average periodic liability of taxpayers permitted or required to file returns for other than monthly or quarterly periods.

(3) Notwithstanding the provisions of subsection (2) of this section, no bond required under this section shall be less than five hundred dollars ($500).

(4) The amount of the bond provided herein may be increased or decreased by the department at any time subject to the limitations herein provided.

(5) The Commonwealth may bring an action for a restraining order or a temporary or permanent injunction to restrain or enjoin the operation of a taxpayer's business until the bond is posted and any delinquent tax, including applicable interest and penalties, has been paid. Such action may be brought in the Franklin circuit court or in the circuit court having jurisdiction of the taxpayer.

SECTION 8. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) On or before the last day of the month following each calendar month, every taxpayer shall report the gross value of natural resources sold, processed, or used during the preceding month and pay the amount of tax due on forms prescribed by the department.

(2) Returns shall be signed by the taxpayer required to file the return or by his duly authorized agent but need not be verified by oath.

(3) Returns required under this section shall contain such information as the department deems necessary for the proper administration of Sections 1 through 16 of this Act.

(4) The taxpayer required to file the return provided under this section shall deliver the return together with a remittance of the amount of the tax due to the department.

(5) For purposes of facilitating the administration, payment, or collection of the taxes levied by Section 2 of this Act, the department may permit or require returns or tax payments for periods other than monthly. When permitted, returns for other than monthly periods shall be filed and paid in such manner as the department may prescribe.

(6) No taxpayer shall change from the reporting system required under this section or permitted in writing by the department, without the written authorization of the department.

(7) A tax return is required for each reporting period even though there may be no tax due.

SECTION 9. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) The department may upon written request received on or prior to the due date of the return or tax, for good cause satisfactory to the department, extend the time for filing the return or paying the tax for a period not exceeding thirty (30) days.

(2) Any taxpayer to whom an extension is granted and who pays the tax within the period for which the extension is granted shall pay, in addition to the tax, interest at the rate of ten percent (10%) per annum from the date on which the tax would otherwise have been due.

SECTION 10. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) As soon as practicable after each return is received, the department shall examine and audit it. If the amount of tax computed by the department is greater than the amount returned by the taxpayer,

the excess shall be assessed by the department within four (4) years from the date the return was filed, except as provided in subsection (4) of this section and except that in the case of a failure to file a return or of a fraudulent return the excess may be assessed at any time. A notice of such assessment shall be mailed to the taxpayer. The time herein provided may be extended by agreement between the taxpayer and the department.

(2) For the purpose of subsections (1) and (4) of this section, a return filed before the last day prescribed by law for the filing thereof shall be considered as filed on such last day.

(3) When a business is discontinued, a determination may be made at any time thereafter within the periods specified in subsection (1) of this section as to liability arising out of that business, irrespective of whether the determination is issued prior to the due date of the liability as otherwise specified in Section 8 of this Act.

(4) Notwithstanding the four (4) year time limitation of subsection (1) of this section, in the case of a return where the tax computed by the department is greater by twenty-five percent (25%) or more than the amount returned by the taxpayer, the excess shall be assessed by the department within six (6) years from the date the return was filed.

SECTION 11. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

In every case, any tax not paid on or before the due date shall bear interest at the rate of ten percent (10%) per annum from the date due until the date of payment.

SECTION 12. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

In making a determination of tax liability the department may offset overpayments for a period or periods, together with interest on the overpayments, against underpayments for another period or periods, against penalties, and against the interest on the underpayments.

SECTION 13. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) Every taxpayer liable for the reporting or payment of the taxes levied by Section 2 of this Act shall keep such records, receipts, invoices, and other pertinent papers in such form as the department may require.

(2) Every such taxpayer shall keep such records for not less than four (4) years from the making of such records unless the department in writing sooner authorizes their destruction.

SECTION 14. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) The taxes paid pursuant to the provisions of Sections 1 through 16 of this Act shall be refunded or credited in the manner provided in KRS 134.580, provided that the claim for refund or credit is made by the taxpayer within four (4) years of the due date of the return or the date the taxes were paid, whichever is the later.

(2) A claim for refund or credit shall be made on a form prescribed by the department and shall contain such information as the department may require.

SECTION 15. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) If any taxpayer fails or refuses to file a return or furnish any information requested in writing by the department, the department may make an estimate of the tax liability under Sections 1 through 16 of this Act from any information in its possession, assess the tax at not more than twice the amount estimated to be due and add a penalty of ten percent (10%) of the amount of the tax assessed. This penalty shall be in addition to all other applicable penalties in this section.

(2) If the taxpayer fails to make and file a return required by Section 8 of this Act on or before the due date of the return or the due date as extended by the department, then, unless it is shown to the satisfaction of the department that the failure is due to reasonable cause, five percent (5%) of the tax found to be due by the department shall be added to the tax for each thirty (30) days or fraction thereof elapsing between the due date of the return and the date on which filed, but the total penalty shall not exceed twenty-five percent (25%) of the tax, provided, however, that in no case shall the penalty be less than ten dollars ($10).

(3) If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations but without intent to defraud, five percent (5%) of the total amount of the deficiency, in addition to the deficiency and other applicable penalties provided in this section shall apply.

(4) If any assessment made by the department is not paid within the time prescribed, or protested in accordance with KRS 131.110, the taxpayer shall pay as a penalty, in addition to the amount of the tax and other applicable penalties, one percent (1%) of the tax for each thirty (30) days or fraction thereof the tax remains unpaid.

(5) If any taxpayer fails to pay the tax imposed by Section 2 of this Act within the time prescribed, unless it is shown to the satisfaction of the department that the failure was due to reasonable cause, the

department may assess a penalty of ten percent (10%) of the tax due, provided, however, that in no case shall the penalty be less than ten dollars ($10).

SECTION 16. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) Any taxpayer who fails to file required returns and remit the tax due under Sections 1 through 16 of this Act shall be guilty of a misdemeanor and upon conviction therefor shall be fined an amount not less than ten dollars ($10) nor more than one hundred dollars ($100), or imprisoned for a period not to exceed thirty (30) days, or both such fine and imprisonment.

(2) Any taxpayer, including any officer of a corporation, who engages in the severing and/or processing of natural resources in this state or sells or uses natural resources so severed or processed without obtaining a certificate of registration or after a certificate of registration has been suspended or revoked, shall be guilty of a misdemeanor and upon conviction therefor, shall be fined an amount not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) or imprisoned for a period not to exceed six (6) months, or both such fine and imprisonment.

Section 17. KRS 137.120 is amended to read as follows:

(1) Every producer of crude petroleum oil shall pay a tax for state purposes equal to *four and one-half percent (4 ½%)* [one half of one per cent (.5%)] of the market value of all crude petroleum produced by him in this state.

(2) A producer of crude petroleum oil shall include any person owning an interest in crude petroleum oil produced in this state.

(3) [Any county may impose a tax for road, county or school purposes of not more than one per cent (1%) of the market value of all crude petroleum produced in the county. The fiscal court may levy this tax for county purposes, and shall determine what funds shall receive the tax when collected. When crude petroleum is produced in any separate taxing district in a county, the fiscal court shall equitably distribute such taxes between the county and the taxing district.

(4)] The *tax* [taxes] provided by this section shall be imposed and attached when the crude petroleum is first transported from the tanks or other receptacle located at the place of production, and shall be imposed ratably upon all persons owning any interest in such oil.

Section 18. Whereas the financial situation of the Commonwealth requires additional revenue an emergency is declared to exist and the provisions of this Act shall become effective June 1, 1980 upon the approval of the Governor.

The Committee Substitute to **HB 970** is as follows:

HB 970, AN ACT relating to local government economic assistance and making an appropriation therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby established in the state treasury a fund entitled "local government economic assistance fund". The fund may receive state appropriations, gifts, grants and federal funds and shall be disbursed by the state treasurer upon the warrant of the secretary of the department of finance. Any unallotted or unencumbered balances in the fund shall be invested in United States government securities maturing not later than one (1) year from the date of investment and the income earned from such investment shall be prorated for expenditure in coal producing and coal impact counties according to each such county's allocable part in the fund.

(2) Effective July 1, 1981, an amount equal to one-half (½) of the tax collected annually on the sale of minerals, exclusive of coal, shall be transferred from the general fund into this fund. Such transfers shall be made quarterly.

(3) Effective July 1, 1981, an amount equal to one-half (½) of the severance and processing taxes on coal collected annually, in excess of $177.6 million, shall be transferred from the general fund into this fund. Such transfers shall be made quarterly, based upon the revenue estimates prevailing at the time each quarterly transfer is due, except that the last quarterly transfer shall be made after the close of the fiscal year accounting records, and shall be adjusted to provide the balance of the annual transfer required by this subsection.

SECTION 2. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) There is established within the department of local government a local government economic assistance program to consist of a system of grants to local governments to improve the environment for new industry and to improve the quality of life for the residents.

(2) Grants obtained under this program shall be used for priority expenditures as determined by need identified from the public hearing process in subsection (6) of Section 2 of this Act. These priority categories shall be limited to the following:

(a) Public safety, including law enforcement, fire protection, ambulance service and other related services;

(b) Environmental protection, including sewer disposal, sanitation, solid waste and other related programs;

(c) Public transportation, including mass transit systems, streets and roads;

(d) Health;

(e) Recreation;

(f) Libraries and educational facilities;

(g) Social services for the poor, aged, and handicapped;

(h) Financial administration and governmental management programs;

(i) Industrial and economic development; and

(j) Vocational education.

(3) The use of entitlement funds for repayment of debt as related to long-term bond issues is permissible as long as the revenue from the bond issues is expended on priority categories.

(4) Grants obtained under this program may be used as local portion to secure federal programs as long as program expenditures are in the priority category area. Interest earned on funds received by local units of government shall be considered available for use by the local unit of government in the priority expenditure categories.

(5) The department of finance shall be responsible for the promulgation of rules and regulations necessary to implement the grants programs authorized by this Act.

(6) The department for local government shall assure that public hearings equivalent to those required for the expenditure of federal general revenue sharing funds are held on the expenditure of funds received under this Act. The department of local government shall also submit an annual report to the governor indicating how the grants were used and an evaluation of the program's effectiveness in improving the economy of the units of government receiving assistance.

(7) On or before August 15, 1980, and each year thereafter, the department of transportation shall publish and furnish to the department of finance a directory, including supporting maps and other documents, designating the official state coal road system in coal impact and coal producing counties which shall include all public highways, roads, and streets over which quantities of coal, sufficient to significantly affect the condition and state of repair of such highways, roads and streets, have been transported in the immediately preceding fiscal year. The department shall further publish the total county mileage of the official state coal road system and the total ton/miles within each coal impact and coal producing county for said preceding fiscal year.

(8) Every person shipping or transporting coal, and every carrier for hire or common carrier hauling coal over the public highways, roads and streets shall file with the department of transportation such information and at such intervals as the department shall designate by regulation duly adopted for the purpose of identifying those highways, roads and streets comprising the coal haul road system and the quantities of coal transported thereon, in order that the department can accurately calculate total ton/miles within each coal impact and coal producing county.

(9) The department of revenue shall make available to the department of transportation coal severance and processing tax data for use in verifying and supplementing the information furnished under the provisions of subsection (8) above. The information shall be furnished in such a manner as to conceal the identity of individual taxpayers; in the event the data cannot be furnished without revealing the identity of individual taxpayers, it shall be withheld.

SECTION 3. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

Any assistance granted under this Act shall include an agreement that an independent annual audit shall be conducted and that the audit report will include a certification that said funds were expended for the purpose intended. A copy of the audit and certification of compliance shall be forwarded to the department of local government within eighteen (18) months after the end of the fiscal year.

SECTION 4. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

No assistance shall be approved in excess of funds received and transferred to the account of any respective unit of government, and no assistance shall be approved for a unit of government failing to submit the certification of compliance required in Section 3 of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

Monies in the local government economic assistance fund shall be allocated among the counties as follows:

(1) Funds allocated under Section 1(3) of this Act;

(a) Sixty percent (60%) shall be distributed to each coal producing county on the basis of the ratio of tax collected on coal severed in each respective county to the tax collected statewide.

(b) Thirty percent (30%) shall be distributed to each coal producing county on the basis of per capita income (inverse order), ton miles of resource roads and population, equally weighted.

(c) Ten percent (10%) shall be distributed to non-coal producing counties impacted by the transport of coal on the basis of geographic area, ton miles of resource roads, and per capita income (inverse order), weighted on a basis of 30/100, 40/100, and 30/100, respectively. The expenditure of such funds shall be limited to the categories of projects set out in Section 2(2)(c) of this Act. To qualify for the funds distributed under the provisions of this paragraph, a county must have within its geographic boundaries twenty-five hundredths of one percent (.25%) of the total ton miles within coal impact counties.

(2) All funds allocated under Section 1(2) of this Act shall be distributed among the mineral producing counties on the basis of the tax collected on minerals severed in each respective county.

SECTION 6. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

Ten percent (10%) of the funds allocated to each county under the provisions of Section 5 of this Act shall be allotted to the incorporated areas within the county based on the ratio that the population of each incorporated area bears to the total population of all the incorporated areas within the county; except that incorporated areas shall not be eligible for funds allocated to counties under the provisions of Sections 9 and 11 of this Act.

SECTION 7. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) On or before July 1, 1981, and each year thereafter, the secretary, department of finance, shall provide the legislative body of each local government eligible for funds under the provisions of this Act, an estimate of the funds that will be allocated to the local government for fiscal year 1981-82, and each year thereafter.

(2) On or before the fifteenth (15th) of the first month of a quarter, the secretary, department of finance, shall cause to be remitted to the legislative bodies of the local governments eligible for funds under the provisions of this Act, the funds allocated to the respective local governments for the prior quarter; except that the remittance for the last quarter of a fiscal year shall be made after the close of the fiscal year accounting records, and shall be adjusted to provide the balance of the annual allocation due the local government.

SECTION 8. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

Monies in the local government economic assistance fund are hereby appropriated, and shall be treated as a continuing appropriation and shall not lapse at the end of the fiscal year.

SECTION 9. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

All unencumbered fund balances in each county's account established under KRS 42.300, and all unencumbered fund balances in each county's account established under KRS 42.330, and all unencumbered fund balances in each county's account established under KRS 177.970, shall be transferred to that county's account established to implement the provisions of this Act. Funds transferred may be used for those purposes authorized by this Act.

SECTION 10. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) In the event that a qualifying local government unit reduces its general tax effort for any fiscal year, below the level of fiscal year 1979-80, that governmental unit shall forfeit funds that would otherwise be available under the provisions of this Act on a dollar-for-dollar basis.

(2) For purposes of this Act, "general tax effort" shall mean the total revenues raised in fiscal year 1979-80 from the levy of all of the taxing district's taxes in fiscal year 1979-80. Taxes based upon the 1979 assessment of property shall be considered to be taxes levied and collected for fiscal year 1979-80.

SECTION 11. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby appropriated from the general fund to the coal impact road fund the sum of $1,500,000 for fiscal year 1979-80. Notwithstanding the provisions of KRS 177.970(5) to the contrary, the funds appropriated under this paragraph shall be allocated to the eligible counties in accordance with the provisions of Section 5(1)(c) of this Act.

(2) There is hereby appropriated from the general fund to the bureau of highways the sum of $4,500,000 for fiscal year 1979-80. These funds shall be distributed in accordance with the formula prescribed by the provisions of Acts 1976, Chapter 340, Section 1, as amended by Acts 1978, Chapter 189, Section 8 and Acts 1978, Chapter 384, Section 570.

(3) The appropriations in subsection (2) of this section are made to satisfy the requirements of the Acts 1979, Chapter 27, Part V, 8.

Section 12. KRS 45.045 is amended to read as follows:

(1) The provisions of any other law notwithstanding, the governor shall include in the biennial budget report and in the draft appropriation act or acts submitted to each regular session of the general assembly pursuant to KRS 45.030 and 45.040, for the biennium period beginning July 1, 1980, and for each biennium thereafter, recommendations for appropriations from the general fund to be made by the general assembly to the area development fund established by KRS Chapter 42 [and to the coal severance economic aid fund].

(2) The amount to be recommended for the appropriation to the area development fund shall be four and four-tenths percent (4.4%) of the severance tax estimate for each fiscal year of the biennium.

[(3) The amount to be recommended for the appropriation to the coal severance economic aid fund shall be three and seven-tenths percent (3.7%) of the severance tax estimate for each fiscal year of the biennium.]

Section 13. The following KRS Sections and Acts are repealed:

42.300	Coal producing county development fund.
42.310	Advisory committee — Membership — Functions.
42.325	Definitions for KRS 42.330 to 42.340.
42.330	Coal severance economic aid fund — Use — Board.
42.332	Examination and approval of capital projects.
42.334	Apportionment of funds.
42.340	Rules and regulations as to coal severance economic aid fund and projects.
177.960	Energy road fund — Use — Fiscal courts to advise.
177.970	Coal impact road fund — Use — Appropriation.

Acts 1979, Chapter 27, Part V, 8.

Section 14. Whereas the financial situation of coal producing and coal impact counties is such that the funds made immediately available under the provisions of this Act should be immediately accessible to the counties, an emergency is declared to exist and the provisions of this Act shall become effective July 1, 1980, upon approval of the Governor, except that Section 11 shall become effective upon the approval of the Governor.

The Committee Substitute to **HB 973** is as follows:

HB 973, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 138.210 is amended to read as follows:

As used in KRS 138.220 to 138.340, unless the context requires otherwise:

(1) "Accountable loss" of gasoline means loss or destruction of "received" gasoline through wrecking of transportation conveyance, explosion, fire, flood or other casualty loss, or "received" gasoline contaminated and returned to storage; Provided That any such loss shall have been reported within ten (10) days after discovery of such loss to the department in a manner and form prescribed by the department, supported by proper evidence which in the sole judgment of the department substantiates the alleged loss or contamination and which is confirmed in writing to the reporting dealer by the department. The department may make any investigation deemed necessary to establish the bona fide claim of the loss.

(2) "Dealer" means any person who:

(a) Imports into this state and stores, or causes to be imported into and stored in this state, gasoline for use, distribution or sale and delivery in this state after it has been stored in this state; Provided That the term "dealer" as used in KRS 138.220 to 138.340 shall not include any person who imports gasoline acquired from a refiner or other supplier who, at the time of such importation, is a duly licensed dealer in this state, except as may otherwise be provided under regulations of the department.

(b) Receives or accepts delivery of gasoline within this state into bulk storage facilities owned or operated for the storage of gasoline for transshipment within or without this state.

(c) Refines, produces, distills, manufactures, blends or compounds gasoline in this state.

(d) Receives or accepts delivery within this state of gasoline for resale within this state in amounts of not less than an average of 100,000 gallons per month during any prior consecutive twelve (12) months' period, when in the opinion of the department, such person has sufficient financial rating and reputation to justify the conclusion that he will pay all taxes and comply with all other obligations imposed upon a dealer.

(3) "Department" means the department of revenue.

(4) "Gasoline" means all liquid fuels, including liquids ordinarily, practically and commercially usable in internal combustion engines for the generation of power, and all distillates of and condensates from petroleum, natural gas, coal, coal tar, vegetable ferments and all other products so usable except propane, butane or other liquefied petroleum gases, kerosene, cleaner solvent, fuel oil, diesel fuel and crude oil.

(5) "Received" or "received gasoline" shall have the following meanings:

(a) Gasoline produced, manufactured or compounded at any refinery in this state or gasoline acquired by any dealer and delivered into or stored in refinery, marine or pipeline terminal storage facilities in this state shall be deemed to be received when it has been loaded for bulk delivery into tank cars or tank trucks consigned to destinations within this state. For the purpose of the proper administration of this chapter and to prevent the evasion of the tax and to enforce the duty of the dealer to collect the tax, it shall be presumed that all gasoline loaded by any licensed dealer within this state into tank cars or tank trucks is consigned to destinations within this state unless the contrary is established by the dealer pursuant to rules and regulations prescribed by the department.

(b) Gasoline acquired by any dealer in this state, and not delivered into refinery, marine or pipeline terminal storage facilities, shall be deemed to be received when it has been placed into storage tanks or other containers for use or subject to withdrawal for use, delivery, sale or other distribution. Dealers may sell gasoline to licensed bonded dealers in this state in transport truckload, carload or cargo lots, withdrawing such gasoline from refinery, marine, pipeline terminal or bulk storage tanks, without paying the tax on such gasoline. In such instances the licensed bonded dealer purchasing such gasoline shall be deemed to have received such gasoline at the time of withdrawal from the seller's storage facility and shall be responsible to the state for the payment of the tax thereon and shall report and pay the tax on such gasoline purchased and received.

(6) "Refinery" means any place where gasoline is refined, manufactured, compounded or otherwise prepared for use.

(7) "Storage" means all gasoline produced, refined, distilled, manufactured, blended or compounded and stored at a refinery storage or delivered by boat at a marine terminal for storage or delivered by pipeline at a pipeline terminal, delivery station or tank farm for storage.

(8) "Transporter" means any person who transports gasoline on which the tax has not been paid or assumed.

(9) "Bulk storage facility" means gasoline storage facilities of not less than twenty thousand (20,000) gallons owned or operated at one (1) location by a single owner or operator for the purpose of storing gasoline for resale or delivery to retail outlets or consumers.

(10) "Average wholesale price" shall mean:

(a) The weighted average per gallon wholesale tank wagon price of gasoline, exclusive of the four cents (4¢) per gallon federal tax in effect on January 1, 1980, as determined by the department of revenue from information furnished by licensed gasoline dealers. Dealers shall furnish within twenty (20) days following the end of the first month of each calendar quarter, such information regarding wholesale selling prices for the previous month as may be reasonably required by the department.

(b) Notwithstanding the provisions of (a) above, for purposes of the taxes levied in KRS 138.220, 138.565, 138.660 and 234.320, in no case shall "average wholesale price" be deemed to be less than one dollar ($1.00) per gallon, and in no case shall "average wholesale price" be deemed to be more than one dollar and fifty cents ($1.50) per gallon on or before June 30,-1982. In fiscal year 1982-83 the "average wholesale price" shall not be deemed to increase more than ten percent (10%) over the "average wholesale price" at the close of fiscal year 1981-82; in each subsequent fiscal year the "average wholesale price" shall not be deemed to increase more than ten percent (10%) over the "average wholesale price" at the close of the previous fiscal year.

Section 2. KRS 138.220 is amended to read as follows:

(1) [Except as provided in subsection (2) of this section,] An excise tax *at the rate of nine percent (9%) of the average wholesale price rounded to the third decimal when computed on a per gallon basis* [of nine cents per gallon] shall be paid on all gasoline received in this state. No other excise or license tax shall be levied or assessed on gasoline by the state or any political subdivision of the state. The tax herein imposed shall be paid by the dealer receiving the gasoline to the state treasurer in the manner and within the time specified in KRS 138.230 to 138.340 *and all such tax may be added to the selling price charged by the dealer or other person paying the tax on gasoline sold in this state.* Nothing herein contained shall authorize or require the collection of the tax upon any gasoline after it has been once taxed under the provisions of this section.

(a) Effective with the calendar quarter beginning July 1, 1980, the department shall determine on a consistent basis the average wholesale price for each calendar quarter, on the basis of sales data accumulated for the first month of the preceding quarter. Notification of the average wholesale price shall be given to all licensed dealers at least twenty (20) days in advance of the first day of each calendar quarter.

(b) Dealers with a tax paid gasoline inventory at the time an average wholesale price becomes effective, shall be subject to additional tax or appropriate tax credit to reflect the increase or decrease in the average wholesale price for the new quarter. For the purpose of this adjustment, average wholesale price on June 30, 1980, shall be deemed to be one dollar ($1.00). The department shall promulgate such rules and regulations to properly administer this provision.

[(2) In the event that, on or after January 1, 1977, the federal government enacts a law whereby the federal tax on gasoline is reduced, by tax credits, or reduced rate, in any state which increases its own tax by the minimum specified amount, the rate in subsection (1) of this section shall automatically increase by the minimum amount required to pick up the federal credit or decrease in federal tax.

(3) However, in the event that the federal government enacts a law whereby the federal tax on gasoline is reduced and this tax reduction could be passed down as a net savings to the consumer, the provisions in subsection (2) of this section would not be operative.]

Section 3. KRS 138.340 is amended to read as follows:

(1) If any dealer or transporter required to be licensed under KRS 138.310 files a false [monthly] report of the data or information required by KRS *138.210* [138.220] to 138.280, or fails, refuses or neglects to file the *reports* [monthly report] required by those sections, even though no tax is due, or to pay the full amount of tax as required by those sections, or fails to meet the qualifications of a dealer as set out in KRS 138.210 (2), or violates any other provision of this chapter, said dealer or transporter may be cited by the department of revenue to show cause at a public hearing before the Kentucky board of tax appeals why his license should not be revoked. Such licensee shall be notified by registered letter or summons. The letter or summons shall apprise the licensee of the charge or charges made against him and he shall have a reasonable opportunity to be heard before his license may be revoked. The summons may be served in the same manner and by the same officers or persons as provided by the Rules of Civil Procedure, or it may be served in said manner by an employe of the department of revenue. The hearing shall be set at least five (5) days after the summons is served or the letter delivered. Any aggrieved licensee may appeal from an order of revocation of the Kentucky board of tax appeals as provided by law, subject to the condition that the licensee has made bond sufficient in the opinion of the department of revenue to protect the Commonwealth from loss of revenue.

(2) The department is hereby given the power to cancel the license upon request in writing from licensee such cancellation to become effective sixty (60) days from the date of receipt of the request. But no license shall be canceled upon the request of any licensee until and unless said licensee, prior to the date of such cancellation, pays to the state all excise taxes payable under the laws of the state together with any and all penalties and fines accruing by reason of any failure on the part of such licensee to make accurate reports as required or pay such taxes and penalties.

Section 4. KRS 138.565 is amended to read as follows:

(1) [Except as provided in subsection (3) of this section,] An excise tax *at the rate levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10)* [of nine cents per gallon] is hereby levied and shall be paid by the special fuels dealer to the department:

(a) For all special fuels delivered into any tank or other container equipped with a hose or other apparatus designed to dispense such fuels into the fuel supply tank of a motor vehicle except when such deliveries are made to another licensed special fuels dealer. The tax imposed by this section shall not apply to special fuels delivered into storage facilities of consumers or persons engaged in the business of selling special fuels for use in motor vehicles when such special fuels are to be sold or used for nonhighway purposes and provided that the storage facilities for such special fuels have been approved and identified as nontaxable storage pursuant to regulations of the department provided that the department may not refuse to approve such nontaxable storage except for adequate cause.

(b) For all special fuels withdrawn by any special fuels dealer and dispensed into the fuel supply tank of a motor vehicle. An allowance of one percent (1%) of the tax shall be made to the special fuels dealer to cover unaccountable losses, bad debts, and handling and reporting the tax. For the purpose of the proper administration of this chapter and to prevent the evasion of the tax and to enforce the duty of the special fuels dealer to collect the tax, it shall be presumed that all special fuels delivered by any special fuels dealer within this state are taxable unless the contrary is established by the special fuels dealer pursuant to regulations prescribed by the department.

(2) No other excise or license tax shall be levied or assessed on special fuels by any political subdivision of the state.

[(3) In the event that, on or after January 1, 1977, the federal government enacts a law whereby the federal tax on diesel fuel and other special motor fuels is reduced, by tax credits, or reduced rate, in any state which increases its own tax by the minimum specified amount, the rate in subsection (1) of this section shall automatically increase by the minimum amount required to pick up the federal credit or decrease in federal tax.

(4) However, in the event that the federal government enacts a law whereby the federal tax on gasoline is reduced and this tax reduction could be passed down as a net savings to the consumer, the provisions in subsection (3) of this section would not be operative.]

Section 5. KRS 138.660 is amended to read as follows:

(1) [Except as provided in subsection (2) of this section,] Every motor carrier shall pay a tax *at the rate levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10)* [of nine cents per gallon] on the amount of gasoline and *at the same rate* [nine cents per gallon] on the amount of special fuels used in operations on the public highways of this state.

(2) [In the event that, on or after January 1, 1977, the federal government enacts a law whereby the federal tax on gasoline, or diesel and other special motor fuels is reduced, by tax credits, or reduced rate, in any state which increases its own tax by the minimum specified amount, the rate in subsection (1) of this section shall automatically increase by the minimum amount required to pick up the federal credit or decrease in federal tax.

(3) However, in the event that the federal government enacts a law whereby the federal tax on gasoline is reduced and this tax reduction could be passed down as a net savings to the consumer, the provisions in subsection (2) of this section would not be operative.

(4)] In addition to the tax imposed in subsection (1) of this section, if the motor carrier is a heavy equipment motor carrier as defined in KRS 138.655, he shall pay a surtax *at the rate of two percent (2%) of the average wholesale price as provided in subsection (1),* [of two cents per gallon] on the amount of gasoline and special fuels used in operations on public highways of this state.

(3)[(5)] The tax levied under subsections (1) and *(2)* [(4)] of this section shall be computed and paid as provided in KRS 138.690.

Section 6. KRS 138.695 is amended to read as follows:

(1) Every licensee subject to the tax imposed by subsections (1) and (2) of KRS 138.660 shall be entitled to a credit for each quarterly period beginning on and after July 1, *1980* [1972], equivalent to *the tax rate levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10)* [nine cents per gallon] on gasoline and [nine cents per gallon on] special fuels purchased by such licensee during such period for use in its operations, provided such gasoline and special fuels were purchased in Kentucky during the same period and the tax imposed by KRS 138.220 and KRS 138.565 has been paid. Evidence of the payment of such tax in such form as may be required by or satisfactory to the bureau shall be furnished by each such licensee claiming the credit herein allowed.

(2) The bureau shall at the close of each quarterly period, ending September 30, December 31, March 31, and June 30, compute all credits granted by the bureau during such quarter, which credits shall be except as provided in subsection (3), applied only to taxes due on the report filed for the next quarter.

(3) If the credit or credits referred to in subsections (1) and (2) would expire solely by reason of the lapse of time allowed in subsection (2), then the balance of any credit shall be refunded to the licensee, provided application therefor and all necessary information shall be filed with the bureau within sixty (60) days after the time the credit would otherwise expire as provided in subsection (2) except a credit shall not be refunded to the licensee, where, as estimated by the bureau, the cost to the bureau of making the refund would exceed the amount of the refund.

(4) In order to facilitate administration of the credits and refunds allowed herein, the bureau shall prescribe what records must be kept by the licensee or any other person and the bureau shall also prescribe the form and content of said records and any reports to be made relative thereto.

Section 7. KRS 234.320 is amended to read as follows:

(1) [Except as provided in subsection (2) of this section,] An excise tax *at the rate levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10)* [of nine cents per gallon] is hereby levied and shall be paid by the liquefied petroleum gas motor fuel dealer to the department on all taxable liquefied petroleum gas motor fuel delivered to the licensed liquefied petroleum gas motor fuel user-seller or withdrawn by the liquefied petroleum gas motor fuel dealer to propel motor vehicles on the public highways, either within or without this state. An allowance of one percent (1%) of the tax shall be made to liquefied petroleum gas motor fuel dealer to cover unaccountable losses, bad debts, and handling and reporting the tax.

(2) [In the event that, on or after January 1, 1977, the federal government enacts a law whereby the federal tax on special motor fuels is reduced, by tax credits, or reduced rate, in any state which increases its own tax by the minimum specified amount, the rate in subsection (1) of this section shall automatically increase by the minimum amount required to pick up the federal credit or decrease in federal tax.

(3) However, in the event that the federal government enacts a law whereby the federal tax on gasoline is reduced and this tax reduction could be passed down as a net savings to the consumer, the provisions in subsection (2) of this section would not be operative.

(4)] No other excise or license tax shall be levied or assessed on liquefied petroleum gas motor fuel by any political subdivision of the state, except the licenses under KRS 234.120.

(3)[(5)] No provision of KRS 234.310 to 234.440 shall in any way affect the surtax imposed on heavy equipment motor carriers under KRS 138.660.

Section 8. KRS 234.380 is amended to read as follows:

Liquefied petroleum gas motor fuel dealers using, selling, and/or delivering liquefied petroleum gas to motor vehicles, or into storage for use in motor vehicles, shall report and pay the state tax *at the rate levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10)* [of nine cents per gallon] on all such fuel to the department of revenue. The dealer shall issue an invoice to the customer whenever the sale or delivery is consummated giving the invoice date, name and address of the customer, and number of taxable gallons sold or delivered. The number of taxable gallons to be invoiced shall be determined in the following manner by the dealer:

(1) The metered gallons, if placed into a fuel tank of a motor vehicle;

(2) The metered gallons, if placed into storage, all of which is to be used or sold for use in motor vehicles;

(3) The number of gallons to be used in motor vehicles, if the storage is for multiple uses. The number of taxable gallons to be determined by the user and the dealer based on the best estimate possible from mileage and efficiency records available;

(4) If the motor vehicle carburetor is connected to a fuel line leading from a fuel tank where another, or other motors are supplied with fuel also, then the number of gallons to be invoiced as taxable motor fuel shall be determined from mileage and fuel efficiency records.

Section 9. KRS 177.320 is amended to read as follows:

(1) *Twenty-two and two-tenths percent (22.2%)* [Two-ninths] of all funds arising from the imposition of taxes provided by KRS 138.220, 138.565, 138.660 and 234.320 shall be set aside for the construction, reconstruction and maintenance of secondary and rural roads and for no other purpose, and shall be expended for said purposes by the department of transportation of the Commonwealth of Kentucky according to the terms and conditions prescribed in KRS 177.330 to 177.380.

(2) On or after July 1, *1980, fifteen and six-tenths percent (15.6%)* [1976, nine-tenths of one-ninth] of all funds arising from the imposition of taxes provided by KRS 138.220, 138.565, 138.660 and 234.320 shall be set aside for the construction, reconstruction and maintenance of county roads and bridges provided by KRS 179.410 through 179.430.

Section 10. KRS 177.365 is amended to read as follows:

(1) On and after July 1, *1980, six and seven-tenths percent (6.7%)* [1973, one-eighteenth (1/18)] of all amounts received from the imposition of the taxes provided for in KRS 138.220, 138.565, 138.660 and 234.320 shall be set aside by the *department of finance* [bureau of highways] for the construction, reconstruction and maintenance of urban roads and streets and for no other purpose.

(2) As used in this section unless the context requires otherwise "construction," "reconstruction," and "maintenance" mean the supervising, inspecting, actual building, and all expenses incidental to the construction, reconstruction, or maintenance of a road or street, including planning, locating, surveying, and mapping or preparing roadway plans; acquisition of rights-of-way, relocation of utilities, lighting and the elimination of other hazards such as roadway grade crossings, and all other items defined in the bureau of highways, design, operations, and construction manuals.

(3) "Urban roads" mean all public ways lying within the limits of the unincorporated urban place as described by the bureau of census tracts.

(4) "Streets" mean all public ways which have been designated by the incorporated city as being city streets and said streets lying within the boundaries of an incorporated city.

Section 11. KRS 177.366 is amended to read as follows:

(1) On and after July 1, *1980* [1973], the *department of finance* [bureau of highways] shall allocate to each incorporated city and "unincorporated urban place" its pro rata share of the funds set apart for construction, reconstruction, and maintenance of urban roads and streets on the basis of the ratio which the population in said incorporated cities and in "unincorporated urban places" bears to the total population in incorporated cities and in "unincorporated urban places" of the state. "Unincorporated urban places" as used here means an area outside of incorporated cities which area has a population of 2,500 or more as shown by the most recent decennial census of the United States bureau of the census, and all populations shall be determined by the most recent decennial census of the United States.

(2) Any area which becomes incorporated after December 31, 1970, shall not be eligible to participate in the municipal aid program until the beginning of the second fiscal year following its incorporation and population certification. It shall be the responsibility of the newly incorporated area to provide the *department of finance* [bureau of highways] with documentation from the United States bureau of census showing the population of the newly incorporated area as it existed at the time of the last decennial census.

(3) In the event the newly incorporated area cannot obtain a population count from the bureau of census, it shall not be eligible to participate in the municipal aid program until the next decennial census.

(4) If an incorporated city, whose incorporation took place prior to December 31, 1970, annexes additional area, the population of the annexed area will not be counted in the allocation of municipal aid funds until the beginning of the second fiscal year following annexation and population certification.

(5) It shall be the responsibility of the incorporated city to provide the *department of finance* [bureau of highways] with documentation from the United States bureau of census showing the population for the annexed area as it existed at the time of the last decennial census.

(6) In the event the incorporated area cannot obtain a population count from the bureau of census, the annexed area's population will not be eligible to be counted in the distribution of the municipal aid fund. However, the streets included in the annexed areas will be eligible to receive work through this program.

(7) Apportionments as required by the provisions of this section shall be made on the basis of revenue estimates supplied by the department of revenue and shall be adjusted quarterly in accordance with the most recent revision of the estimates by the department of revenue.

SECTION 12. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) On and after the fiscal year beginning July 1, 1980 and each fiscal year thereafter, the department of finance shall pay to each incorporated city and county containing an unincorporated urban place its pro rata share of any funds appropriated and any unexpended balance of funds appropriated for construction, reconstruction, and maintenance of urban roads and streets. During each fiscal year, the department of finance shall make quarterly payments to each such city and county of the funds set aside and allocated pursuant to Sections 9 and 10 of this Act.

(2) The expenditure of any money received by the city or county pursuant to the provisions of subsection (1) of this section shall be made solely for the purpose of construction, reconstruction, and maintenance of urban roads and streets set forth in this Act.

(3) Any city or county which has received any money pursuant to the provisions of subsection (1) of this section shall retain all records of the expenditure of such money for a period of five (5) years and said records shall be subject to audit by the department of finance for said period of time in order to determine the proper expenditure of said money for the purposes required by this Act.

Section 13. KRS 179.410 is amended to read as follows:

[(1)] The *department of finance* [bureau of highways] shall allocate the sum appropriated by the general assembly [or, after July 1, 1976] the funds arising under the provisions of KRS 177.320(2), for the construction, reconstruction, improvement, and maintenance of county roads and bridges in accordance with the provisions of KRS 177.360.

[(2) The bureau of highways, at the close of each fiscal year or as soon thereafter as practicable, shall furnish to the fiscal courts of the several counties a statement showing the total amount of all disbursements, the unliquidated and unencumbered balances of the funds allocated to the respective counties for that fiscal year.]

SECTION 14. A NEW SECTION OF KRS CHAPTER 179 IS CREATED TO READ AS FOLLOWS:

(1) On and after the fiscal year beginning July 1, 1980 and each fiscal year thereafter, the department of finance shall pay to each county its pro rata of any funds appropriated and any unexpended balance of funds appropriated for construction, reconstruction, improvement, and maintenance of county roads and bridges. During each fiscal year, the department of finance shall make quarterly payments to each such county of the funds allocated pursuant to Section 12 of this Act.

(2) The expenditure of any money received by the county pursuant to the provisions of subsection (1) of this section shall be made solely for the purpose of construction, reconstruction, improvement, and maintenance of county roads and bridges.

(3) Any county which has received any money pursuant to the provisions of subsection (1) of this section shall retain all records of the expenditure of such money for a period of five (5) years and said records shall be subject to audit by the department of finance for said period of time in order to determine the proper expenditure of said money for the purpose required by this Act.

Section 15. The following KRS sections are repealed:

177.367 Selection and construction of projects to be funded.

177.368 Bureau to furnish annual report to participating cities and unincorporated urban places — Emergency account.

179.420 Use of state money appropriated to counties — Joint plans.

179.430 Department of highways to direct expenditures — Prescribe rules.

Section 16. Whereas the financial situation of the Commonwealth requires additional revenue, an emergency is declared to exist and the provisions of this Act shall become effective July 1, 1980, upon approval of the governor, except as follows:

(1) Subsection (10) of Section 1 shall become effective May 1, 1980;

(2) Paragraph (a) of subsection (1) of Section 2 shall become effective May 1, 1980.

The Committee Amendment No. 1 to **HB 245** is as follows:

Amend printed copy of **HB 245** on page 6, lines 5-10, by deleting Section 2 in its entirety;

and on line 11, by renumbering "Section 3" to "Section 2".

The Committee on Banking and Insurance reported **HB 692, HB 699, HB 700, HB 733, HB 763, HB 833, HB 834, SB 10, SB 32, SB 247, SB 280** with Committee Amendment attached thereto, **HB 707** with Committee Amendment attached thereto, **HB 652** with Committee Amendment attached thereto, and **HB 802** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 692, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.39-060 is amended to read as follows:

(1) Any person who registers, operates, maintains or uses a motor vehicle on the public roadways of this Commonwealth shall, as a condition of such registration, operation, maintenance or use of such motor vehicle and use of the public roadways, be deemed to have accepted the provisions of this subtitle, and in particular those provisions which are contained in this section.

(2) (a) Tort liability with respect to accidents occurring in this Commonwealth and arising from the ownership, maintenance, or use of a motor vehicle is "abolished" for damages because of bodily injury, sickness or disease to the extent the basic reparation benefits provided in this subtitle are payable therefor, or that would be payable but for any deductible authorized by this subtitle, under any insurance policy or other method of security complying with the requirements of this subtitle, except to the extent noneconomic detriment qualifies under subsection (2)(b) hereof.

(b) In any action of tort brought against the owner, registrant, operator or occupant of a motor vehicle with respect to which security has been provided as required in this subtitle, or against any person or organization legally responsible for his acts or omissions, a plaintiff may recover damages in tort for pain, suffering, mental anguish and inconvenience because of bodily injury, sickness or disease arising out of the ownership, maintenance, operation or use of such motor vehicle only in the event that the benefits which are payable for such injury as "medical expense" or which would be payable but for any exclusion or deductible authorized by this subtitle exceed one thousand dollars ($1,000), or the injury or disease consists in whole or in part of permanent disfigurement, a fracture to a weight-bearing bone, a compound, comminuted, displaced or compressed fracture, loss of a body member, permanent injury within reasonable medical probability, permanent loss of bodily function or death. Any person who is entitled to receive free medical and surgical benefits shall be deemed in compliance with the requirements of this subsection upon a showing that the medical treatment received has an equivalent value of at least one thousand dollars ($1,000).

(c) Tort liability is not so limited for injury to a person who is not an owner, operator, maintainer or user of a motor vehicle within subsection (1) of this section, nor for injury to the passenger of a motorcycle arising out of the maintenance or use of such motorcycle.

(3) For purposes of this section and the provisions on reparation obligor's rights of reimbursement, subrogation, and indemnity, a person does not intentionally cause harm merely because his act or failure to act is intentional or done with his realization that it creates a grave risk of harm.

(4) Any person may refuse to consent to the limitations of his tort rights and liabilities as contained in this section. Such rejection must be in writing in a form to be prescribed by the department of insurance and must have been executed and filed with the department at a time prior to any motor vehicle accident for which such rejection is to apply. Such rejection form together with a reasonable explanation thereof shall be furnished by the reparation obligor with each policy to each prospective insurance applicant. Such rejection form shall affirmatively state in bold print that acceptance of this form of insurance denies the applicant the right to sue a negligent motorist unless certain requirements contained in the policy of insurance are met. Rejection by a person who is under legal disability shall be made on behalf of such person by his legal guardian or his natural parent. The failure of such guardian or a natural parent of a person under legal disability to file a rejection, within six (6) months from the date that this subtitle would otherwise become applicable to such person, shall be deemed to be an affirmative acceptance of all provisions of this subtitle. Provided, however, any person who, at the time of an accident, who does not have basic reparation insurance but has not formally rejected such limitations of his tort rights and liabilities and has at such time in effect security equivalent to that required by KRS 304.39-110 shall be deemed to have fully rejected such limitations within meaning of this section for that accident only.

(5) *(a)* Any rejection must be filed with the department of insurance and shall *become effective on* [be for a period of five (5) years from] the date of its *filing until* [execution unless] revoked [in writing].

(b) Any rejection filed prior to June 30, 1980, shall be deemed to be effective from the date of its filing until revoked.

(c) Any revocation shall be in writing and shall become effective upon the date of its filing with the department of insurance [A copy of such rejection or revocation must be filed with each insurance company providing an automobile policy under which the individual is a named insured as defined in the policy].

(6) Every insurance company when issuing an automobile policy to a resident of this Commonwealth must inform the buyer in writing in a form to be prescribed by the insurance commissioner of his right to reject the limitations of his tort rights and liabilities under this subtitle in the manner provided in subsections (4) and (7) of this section.

(7) Any rejection shall result in the full retention by the individual of his tort rights and his tort liabilities. Any person injured by a motor vehicle operator who has such rejection on file may claim his full damages, including nonpecuniary damages, or, if such injured person has not rejected his own tort limitations, he may also claim basic reparation benefits from the appropriate security on the vehicle as established under KRS 304.39-050. If such provider of security is other than the one providing security for the operator who has rejected the limitations, such provider shall be subrogated to the rights of the injured person to the extent of reparation benefits paid against the owner and operator of the vehicle.

(8) No person who has rejected the tort limitations under this section, except as provided in subsection (9) of this section or KRS 304.39-140(5), may collect basic reparation benefits.

(9) Any owner or operator of a motorcycle, as defined in Kentucky Revised Statutes, may file a rejection as described in subsections (4) and (5), which will apply solely to the ownership and operation of a motorcycle but will not apply to injury resulting from the ownership, operation or use of any other type of motor vehicle.

HB 699, AN ACT relating to mortgage loan companies and loan brokers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 294 IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

This Act shall be known and may be cited as the "mortgage loan company and loan broker act."

SECTION 2. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

Unless the context otherwise requires:

(1) "Affiliate" means any person who directly or indirectly through one (1) or more intermediaries, controls, or is controlled by, or is under common control with another person.

(2) "Commissioner" means the commissioner of banking and securities.

(3) "Mortgage loan" means any loan secured by a mortgage on real property.

(4) "Person" means an individual, a corporation, a partnership, an association, a joint-stock company, a trust where the interest of the beneficiaries are evidenced by a security, an unincorporated organization, a government, or a political subdivision of a government.

(5) "Mortgage loan company" means any person who directly or indirectly:

(a) Holds himself out for hire to serve as an agent for any person in an attempt to obtain a loan which will be secured by a lien or mortgage on real property;

(b) Holds himself out for hire to serve as an agent for any person who has money to loan, which loan is or will be secured by a lien or mortgage on real property;

(c) Holds himself out as being able to make, purchase, place, sell or exchange loans secured by liens or mortgages on real property;

(d) Holds himself out as being able to service loans secured by liens or mortgages on real property;

(e) Holds himself out to be a loan broker.

(6) "Loan broker" means any person who engages in the business of purchasing wages or salaries or who acts as a go-between, finder or agent of a lender or borrower of money for the purpose of procuring a loan of money, or who engages in the business of guaranteeing or endorsing notes and other evidences of indebtedness.

SECTION 3. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) The following shall be exempt from Sections 4 through 13 of this Act:

(a) Any person doing business under the laws of this state or the United States relating to banks, bank holding companies, mutual savings banks, trust companies, savings and loan associations, common

and consumer finance companies, industrial loan companies, insurance companies or real estate investment trusts as defined in 26 U.S.C. Section 856;

(b) An attorney at law rendering services in the performance of his duties as an attorney at law;

(c) Any person doing any act under order of any court;

(d) Any one natural person, or husband or wife, who provides funds for investment in loans secured by a lien on real property, on his own account, who does not charge a fee or cause a fee to be paid for any service other than the normal and scheduled rates for escrow, title insurance and recording services, and who does not collect funds to be used for the payment of any taxes or insurance premiums on the property securing any such loans;

(e) Any person doing business under the laws of this state or the United States relating to any broker-dealer, agent or investment adviser duly registered with the Kentucky division of securities;

(f) The United States of America, the Commonwealth of Kentucky or any other state, and any Kentucky city, county or other political subdivision, and any agency, division or corporate instrumentality of any of the foregoing.

(2) The following shall be exempt from the registration, net capital and bond requirements of Sections 4, 5, 6, 7, 9 and 10 of this Act:

(a) A Kentucky licensed real estate broker, associate broker, or salesman rendering services in the performance of his duties as real estate broker who obtains financing for a real estate transaction, if the real estate broker does not act as a loan broker in more than five (5) transactions during any twelve (12) month period; and if he does not receive a fee for his activities as a loan broker until the proceeds of the loan are actually disbursed; and if he files with the commissioner within thirty (30) days of each transaction a disclosure statement describing the transaction, which statement shall contain such information as the commissioner by rule or order may require. A Kentucky licensed real estate broker rendering services in the performance of his duties as a real estate broker who acts as a loan broker and who is not exempt under this paragraph must register under this Act but is exempt from the bond and net capital requirements herein;

(b) Any mortgage loan company which is subject to licensing, supervision or auditing by the federal national mortgage association, or the U. S. veterans administration, or the government national mortgage association or the U. S. department of housing and urban development as an approved seller or servicer; provided however, such mortgage loan company shall submit an annual audited financial statement of its books and records accompanied by an opinion of a certified public accountant to the commissioner. Said audit shall be filed with the commissioner within one hundred twenty (120) days of the close of its fiscal year.

(3) Any person relying upon an exemption under Section 3(1) or 3(2) shall file with the commissioner a claim of exemption. The commissioner shall thereafter determine the availability of the claimed exemption and he may not disallow an exemption that is validly claimed.

SECTION 4. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) It is unlawful for any person to transact business in this state, either directly or indirectly, as a mortgage loan company or loan broker without first filing an application with the commissioner and obtaining a registration.

(2) Neither the fact that a registration certificate has been issued nor the fact that any person, business or company is effectively registered, constitutes a finding by the commissioner that any document filed under this Act is true, complete, and not misleading. Nor does such fact directly or indirectly imply approval of the registrant by the commissioner or the Commonwealth of Kentucky. It is unlawful to make or cause to be made to any prospective customer or client any representation inconsistent with this subsection.

SECTION 5. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) Each verified application for registration or renewal shall be filed in writing with the commissioner and contain the following:

(a) The name of the applicant and each of applicant's affiliates and the name under which the applicant will conduct business in Kentucky, together with the articles of incorporation, articles of partnership or such other appropriate document;

(b) The location of the applicant's principal office and each branch office in this state, and the location of the principal office of any affiliate not in this state;

(c) The name, residence and business address, and principal occupation for the past five (5) years, of each person having an interest in the business as principals, partners, officers, trustees, directors and managers, specifying the capacity and title of each;

(d) The general plan and character of the business, including a description of any arrangements or agreements either existing or anticipated, relating to the payment of fees, commissions or other remuneration to affiliates, other mortgage loan companies or any other person in connection with any loans secured by lien or mortgage on real property or any transactions described in Section 2(6) of this Act;

(e) A financial statement(s) for the most recent fiscal year of the applicant prepared by a certified public accountant;

(f) A statement as to the length of time the applicant and its principals have operated a mortgage loan company as defined in this Act, both within and without Kentucky;

(g) Disclosure of any action or proceeding, civil or criminal, judicial or administrative, completed or in progress against the applicant, or any of its principals;

(h) The registration fee;

(i) Such other information as the commissioner may by rule or order require.

SECTION 6. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) Applicants shall, at the time of application, pay to the commissioner two hundred fifty dollars ($250) for initial registration which shall not be subject to refund and one hundred fifty dollars ($150) for each renewal registration. A registration shall continue for a period of twelve (12) months from the date of registration; however, each applicant shall have thirty (30) days after its twelve (12) month period in which to complete renewal registration.

(2) In each January every mortgage loan company shall file with the commissioner a statement of its condition at the close of business on December 31, preceding. The statement shall be signed and sworn to by the president, manager or secretary and shall show the amount of all cash receipts and disbursements, the amount of all receipts constituting fees or commissions (not including interest) and the number and amount of all loans made or arranged for others and such other facts as the commissioner requires.

SECTION 7. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) Each mortgage loan company shall post corporate surety bonds in an amount that the commissioner determines by rule to be necessary and appropriate under the circumstances but not less than twenty-five thousand dollars ($25,000). Any appropriate deposit of cash or securities issued by the federal government, the Commonwealth of Kentucky, or any political subdivision thereof shall be accepted in lieu of any corporate surety bond required. Such deposits of cash or securities shall not be withdrawn until five (5) years after the last effective date of the registration. Every bond shall provide for suit thereon by any person who has a cause of action under this Act. In no event shall the total liability of the surety, to all persons, cumulative or otherwise exceed the amount specified in the bond. Every bond shall provide that no suit shall be maintained to enforce any liability on the bond unless brought within five (5) years after the act upon which it is based.

(2) The bond of the mortgage loan company shall be in substantially the form as the commissioner by rule prescribes.

(3) If the commissioner shall at any time reasonably determine that the bond or securities aforesaid are insecure, deficient in amount, or exhausted in whole or part, he may by written order require the filing of a new or supplemental bond or the deposit of new or additional securities in order to secure compliance with this Act, such order to be complied with within thirty (30) days following service thereof upon the registrant.

(4) Each mortgage loan company shall have net capital of not less than twenty-five thousand dollars ($25,000). Computation of "net capital" shall be defined by the commissioner by rule pursuant to this Act.

SECTION 8. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) The use of the words "certified" or "registered" or any form thereof separately or in any combination thereof with other words or syllables, is prohibited as part of the name of a mortgage loan company. No registration certificate or a proposed mortgage loan company having the same name as a corporation authorized to do business under the laws of this state or a name so nearly resembling it as to be calculated to deceive shall be issued by the commissioner.

(2) No person, unless lawfully authorized to do business in this state under the provisions of this Act, and actually engaged in carrying on a mortgage loan or loan broker business, shall do business under any name or title which contains the terms "mortgage company," "mortgage loan company," "mortgage loan broker," "loan broker," "financial broker," or any combination employing the words "mortgage," "loan," or "broker," with one or more of the words "association," "institution," "society," "company," "corporation," or words of similar import, or use any name or represent in any manner which indicates or reasonably implies that his or its business is that of a mortgage loan company as defined by this Act.

SECTION 9. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

Upon receipt of the application the commissioner shall first determine whether or not it complies with the provisions of the Act and, if he so finds, he shall then inquire into the advisability of approving the application by determining whether the applicant demonstrates such financial responsibility, financial condition, and business expertise, character and general fitness to reasonably warrant the belief that the *applicant's business will be conducted honestly, fairly and efficiently and in such a way as to justify public confidence. The commissioner may investigate and consider the qualifications of officers and directors or principals of an applicant in determining whether this qualification has been met. If the commissioner finds that the applicant meets all the above requirements, he shall approve the application.*

SECTION 10. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner may deny, suspend, or revoke any registration when the applicant or registrant:

(a) Does not meet the net capital requirement of this Act;

(b) Is unfit through lack of financial responsibility or experience, as the commissioner shall define by rule to conduct the business or a mortgage loan company or loan broker, as the case may be;

(c) Does not conduct his business in accordance with law or the method of business includes or would include activities which are illegal where performed, or has willfully violated any provision of this Act or any rule or order hereunder;

(d) Collects interest at a usurious rate;

(e) Is in such financial condition that he cannot continue in business with safety to his customers;

(f) Has been guilty of fraud in connection with any transaction governed by this Act, or is the subject of an administrative cease and desist order or similar order, or a permanent or temporary injunction of any court of competent jurisdiction entered under any other federal or state act applicable to the registrant; but the commissioner may not institute a proceeding under this subsection more than one (1) year from the date of the order or injunction relied on, and he may not enter an order under this subsection on the basis of an injunction entered under any other state act unless that order or injunction was based on facts which would currently constitute a ground for an order under this section;

(g) Has made any misrepresentations or false statements to, or concealed any essential or material fact from, any person in the course of the mortgage loan company business, or has engaged in a course of business which has worked or tended to work a fraud upon any person or would so operate;

(h) Has knowingly made or caused to be made to the commissioner any false representation of material fact or has suppressed or withheld from the commissioner any information which the applicant or registrant possesses, and which if submitted by him would have rendered the applicant or registrant ineligible to be registered under this Act;

(i) Has failed to account to persons interested for all funds received for the escrow account required under Section 14;

(j) Has refused to permit an examination by the commissioner of his books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the commissioner under the provisions of this Act;

(k) Has been convicted of any misdemeanor of which an essential element is fraud or any felony, or has pending against him any felony charge.

SECTION 11. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) No mortgage loan company may establish or maintain a branch office without prior written approval of the commissioner.

(2) Each application for approval of the establishment and maintenance of a branch office shall state the proposed location, the functions to be performed and the information required by Section 5 if different from that contained in the original application for registration.

(3) Each application under this section shall be verified and accompanied by a non-refundable fee of one hundred fifty dollars ($150).

(4) Upon the receipt by the commissioner of such an application and the required fee, if he finds that the applicant is otherwise in compliance with the provisions of this Act, he shall approve the application.

(5) Mortgage loan companies exempt under Section 3(2)(b) shall advise the commissioner of the opening or closing of any branch office within thirty (30) days thereafter.

SECTION 12. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) Mortgage loan companies are authorized to make loans at rate or rates not in excess of that provided by KRS 360.010 and 360.025.

(2) Every loan shall be evidenced by a note for the amount of the loan. Every note evidencing a loan under this subsection shall contain the following information and provisions: The original principal amount of the loan excluding any charge for the loan; a statement of the total charge for the loan; the terms of repayment including the amount and date of installments and penalty or charge for late payment; the date of final maturity; and may contain all other terms of the loan contract. The borrower shall be given a copy of the note, at the time the loan is made and shall thereafter be given a receipt for each cash payment.

(3) Every real estate loan shall be secured by a mortgage or other instrument constituting a lien, upon the real estate securing the loan, according to any lawful or well recognized practice which is best suited to the transaction. Any such instrument, constituting a lien, is herein termed a "mortgage." All such mortgages shall be recorded in accordance with the law of this Commonwealth.

(4) Delinquency charges may be made for each installment more than ten (10) days in arrears, and only one (1) delinquency charge shall be made on any one (1) installment. No delinquency charge shall be made unless disclosed as required under subsection (2). In addition to such delinquency charges, attorneys fees not exceeding fifteen percent (15%) of the unpaid balance shall be taxed as cost and court costs may be collected, provided that the note is referred to an attorney not a salaried employe of the holder for collection.

(5) Any charges to be assessed against the borrower, in the event a loan is paid prior to maturity shall be promptly displayed and made part of the note and the loan closing statement regarding the method of computation of any rebate.

SECTION 13. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) Every mortgage loan company may require borrowers to pay all necessary and reasonable expenses incurred in connection with the making, closing, disbursing, extending, readjusting, or renewing of loans. Without limiting the generality of the foregoing, such expenses may include appraisal, attorneys fees, abstract, recording and registration fees, title examination, title insurance, mortgage insurance, credit report, survey, drawing of papers, organization fees, loan closing costs, and taxes or charges imposed upon or in connection with the making and reporting of any mortgage.

(2) Every mortgage loan company also may require the borrowers to pay the cost of all other necessary and incidental services rendered by the mortgage loan company or by others in connection with loans in reasonable amounts. Without limiting the generality of the foregoing, such costs may include the cost of services of inspectors, engineers, and architects.

(3) Such initial charges as described in subsections (1) and (2) may be collected by the mortgage loan company from the borrower and paid to any person rendering such services, or paid directly by the borrower.

(4) In lieu of such initial charges to cover such expenses and costs as described in subsections (1) and (2), a mortgage loan company may make a reasonable charge, part or all of which may be retained by the mortgage loan company which renders such service, or part or all of which may be paid to others who render such services.

(5) The fees and charges authorized by this section shall be in addition to interest authorized by law, and shall not be deemed to be a part of the interest collected or agreed to be paid on such loans within the meaning of any law of this Commonwealth which limits the rate of interest which may be exacted in any transaction.

(6) No person shall receive any fee or other compensation of any kind in connection with procuring any loan, except for services actually rendered as above provided, and in no event shall a mortgage loan company require the payment of a fee greater than one hundred dollars ($100) as a condition to submitting a loan application unless the commissioner shall otherwise prescribe by rule.

(7) Upon receipt of a loan application, the mortgage loan company shall provide the applicant with a written explanation of the nature of all fees, expenses and other costs allowable under subsections (1) and (2) which, whether certain or uncertain, may be incurred or required of the borrower in connection with the approval, making, closing and disbursement of the loan.

(8) The mortgage loan company shall furnish a loan settlement statement to each borrower one (1) business day prior to the settlement date in a form consistent with the provisions of the real estate settlement procedures act of 1974 as amended, and in all other regards the mortgage loan company shall make the necessary and appropriate disclosures consistent with the provisions of that act. A copy of the loan settlement statement and any other disclosure documents shall be retained in the records of the mortgage loan company.

(9) All "letters of commitment," or any other contracts or agreements between prospective borrowers and a mortgage loan company or a loan broker, where the borrowers employ services, for a fee or commission, to obtain a loan commitment or funding from a lending institution shall indicate the terms and conditions thereof, including the period that such agreement shall remain in effect.

(10) Failure on the part of any party, with the exception of the borrower, to fulfill the terms of any loan commitment, letter of commitment, agreement or contract for the loan of money within the time and on such terms specified therein, or the failure to make a bona fide effort to secure a loan after receiving a fee for such service, shall constitute default by the mortgage loan company and any other person so in default; and any person damaged by such default may sue at law or equity for damages, reasonable attorneys fees and interest at eight (8) percent. Every cause of action for damages under this subsection survives the death of any person who might have been a plaintiff or defendant. No person may sue under this subsection more than five (5) years after any act constituting default.

(11) The failure to disclose a dual agency capacity or effecting transactions upon terms and conditions other than those stated in the letter of commitment, loan commitment or any other contract for the loan of money, or entering into an agreement which establishes unfair terms and conditions or compensation, as the commissioner shall define by rule; or any contract of loan in the making or collection of which any act shall have been done which constitutes a willful violation of any provision of this section or of Section 12 shall be void, and the mortgage loan company or the lender, if not the mortgage loan company, shall have no right to collect, receive or retain any interest or charges whatsoever on such loan, but the unpaid principal of the loan shall be paid in full.

SECTION 14. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) All monies paid to the mortgage loan company for payment of taxes or insurance premiums on property which secures any loan made or serviced by the mortgage loan company shall be deposited in an account which is insured by the federal savings and loan insurance corporation or the federal deposit insurance corporation or any other account acceptable to the federal national mortgage association or the U. S. department of urban development or the government national mortgage association or the U. S. veterans administration and kept separate, distinct and apart from funds belong to the mortgage loan company. Such funds, when deposited, are to be designated as an "escrow account" or under some other appropriate name indicating that the funds are not the funds of the mortgage loan company.

(2) Any interest earned on funds deposited into an escrow account under subsection (1) shall belong to the borrower and shall be applied to the expenses to be paid from such account.

(3) The mortgage loan company shall, upon reasonable notice, account to any debtor whose property secures a loan made by the mortgage company for any funds which that person has paid to the mortgage loan company for the payment of taxes or insurance premiums on the property in question.

(4) The mortgage loan company shall, upon reasonable notice, account to the commissioner for all funds in in the company's escrow account.

(5) Escrow account funds are not subject to execution or attachment on any claim against the mortgage company. It is unlawful for any mortgage company to knowingly keep or cause to be kept any funds or money in any bank under the heading of "escrow account" or any other name designating such funds or money belonging to the debtors of the mortgage loan company, except actual funds paid to the mortgage loan company for the payment of taxes and insurance premiums on property securing loans made or serviced by the company.

SECTION 15. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner shall exercise general supervision and control over mortgage loan companies and loan brokers doing business in the Commonwealth of Kentucky. In addition to the other duties imposed upon him by law, the powers and duties of the commissioner are:

(a) To prescribe such rules, regulations and forms and to promulgate such orders as are deemed to be necessary and appropriate to accomplish the basic purposes of and the provisions contained within this Act. The commissioner may from time to time make, amend, and rescind such rules, forms and orders, including rules and forms governing applications, registration, reports, and loan disclosure statements and defining any terms, whether or not used in this Act, insofar as the definitions are not inconsistent with the provisions of this Act. For the purpose of rules and forms, the commissioner may classify loans, persons, and matters within his jurisdiction, and prescribe different requirements for different classes. No rule, form, or order may be made, amended, or rescinded unless the commissioner finds that the action is necessary or appropriate in the public interest and consistent with the purposes fairly intended by the policy and provisions of this Act. In prescribing rules and forms the commissioner may cooperate with other state and federal agencies with a view to achieving maximum uniformity in the form and content of applications, reports and loan disclosure statements whenever practical;

(b) To conduct such investigations as may be necessary to determine whether any person has engaged in or is about to engage in any act, practice or course of conduct constituting a violation of any provision of this Act;

(c) To conduct such examinations, investigations and hearings, in addition to those specifically provided for by law, as may be necessary and proper for the efficient administration of the mortgage loan company laws of this state.

SECTION 16. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) Except as otherwise provided by law, applications for registration or renewals, all papers, documents, reports, and other written instruments filed with the commissioner under this Act, or obtained pursuant to an examination by the department of banking are open to public inspection, except that the commissioner pursuant to the provisions of KRS Chapter 61 may classify as confidential or withhold from public inspection for such time as he considers necessary any information which, in his judgment, the public

welfare or the welfare of any mortgage loan company or its customers requires to be so withheld. All investigations and information contained therein shall not be public until such time as the commissioner makes all or part of the investigation public or the investigation is closed.

(2) The commissioner shall have the authority to classify as confidential certain records and information obtained by the department of banking when such matters are obtained from a governmental agency upon the express condition that they shall remain confidential.

SECTION 17. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

Every mortgage loan company shall make and keep such accounts, correspondence, memoranda, papers, books, data and other records as the director by rule prescribes. All records so required shall be preserved for five (5) years unless the commissioner by rule prescribes otherwise for particular types of records. Every mortgage loan company shall file such financial reports as the commissioner by rule prescribes. If the information contained in any document filed with the commissioner is or becomes inaccurate or incomplete in any material respect, the registrant shall promptly file a correcting amendment.

SECTION 18. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) Every mortgage loan company shall keep at its principal office correct and complete books of accounts and minutes of proceedings of its directors, principals, or partners. Complete records of all business transactions at the principal office shall be maintained at the principal office. Each branch office shall keep detailed records of all transactions at such branch office and shall furnish full control records to the principal office.

(2) No mortgage loan company by any system of accounting or any device of bookkeeping shall, either directly or indirectly, enter any of its assets upon its books in the name of any person, partnership, association, or corporation, or under any title, designation or value that is not thoroughly descriptive of any assets.

(3) The affairs of every mortgage loan company and the records required to be maintained by this Act are subject at any time or from time to time to such periodic, special, or other examinations by the commissioner or an examiner of the commissioner within or without this state and with or without notice to the mortgage loan company, as the commissioner deems necessary or appropriate in the public interest. All books, papers, and records of assets of the mortgage loan company shall be subject to his inspection.

(4) The examiner shall make a thorough examination into the condition, workings and affairs of the association and report any violation of law or any unauthorized unsafe practices or any failure to keep and have correct any required books and records as he may find to the commissioner.

(5) A mortgage loan company shall pay a fee for each such examination not to exceed one hundred dollars ($100) per day, or fraction thereof, that any and all examiners are absent from the office of the commissioner for the purpose of making such examinations, and in addition thereto shall pay the actual travel, lodging and meal expenses of such authorized examiner or examiners. For the purpose of avoiding unnecessary duplication of examinations, the commissioner insofar as he deems it practicable in administering this section, may cooperate with any agency of the state or federal government, other states, or the federal national mortgage association and may accept such examinations in whole or in part in lieu of an examination by the commissioner.

(6) The commissioner or his examiners or designated representative, shall have access to all books and papers of a mortgage loan company which relate to its business, and books and papers kept by any officers, agents, or employes, relating to or upon which any record of its business is kept.

SECTION 19. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) In the conduct of any examination, investigation or hearing, the commissioner or an officer designated by him may compel the attendance of any person or obtain any documents by subpoenas; administer oaths or affirmations in the examination of the directors, officers, agents, employes of any mortgage loan company or any other person concerning the business and conduct of affairs or any person subject to the provisions of this Act, and in connection therewith may require and compel the production of any books, records, papers or other documents relevant to the inquiry.

(2) In the contumacy by, or refusal to obey a subpoena issued to, any person, Franklin circuit court, upon application by the commissioner, may issue to the person an order requiring him to appear before the commissioner, or the officer designated by him, there to produce documentary evidence if so ordered or to give evidence touching the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt of court.

(3) The cost of any investigation or hearing conducted under this Act may be assessed to and collected from the mortgage loan company in question by the commissioner.

SECTION 20. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner may investigate either upon complaint or otherwise when it appears that a mortgage loan company is conducting its business in an unsafe and injurious manner or in violation of this Act, or any rule or order hereunder, or when it appears that any person is engaging in the mortgage loan business without being registered under the provisions of this Act.

(2) Whenever it appears to the commissioner upon sufficient grounds or evidence satisfactory to the commissioner that any mortgage loan company has engaged in or is about to engage in any practice in violation of this Act or any rule or order hereunder, or the assets or capital of any mortgage loan company are impaired or the mortgage loan company's affairs are in an unsafe condition the commissioner may:

(a) Order the mortgage loan company to cease and desist from such acts or practices by a formal written order delivered to the company stating any alleged violation together with a statement of the facts alleged to be such violation. The order shall specify the effective date thereof and notice of entry shall be served personally or sent by certified mail or telegraph to the company affected. The company, upon application, is entitled to a hearing; but if no such application is made within twenty (20) days after the delivery of such an order, it shall be made final and shall remain in effect until withdrawn by the commissioner or terminated by a court order;

(b) Apply directly to Franklin circuit court to enjoin any acts or practices in violation of this Act and to enforce compliance with this Act or any rule or order hereunder. Upon proper showing, a permanent or temporary injunction, restraining order, or writ of mandamus shall be granted and a receiver or conservator may be appointed for the defendant or the defendant's assets. The commissioner may not be required to post a bond.

SECTION 21. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

Notice of the entry of any order of suspension or denial of a registration of any mortgage loan company shall be given in writing, served personally or sent by certified mail or telegraph to the company affected. The company, upon application, is entitled to a hearing; but if no such application is made within twenty (20) days after the entry of an order of suspension or denial of a registration of any company, the commissioner shall enter a final order in either case.

SECTION 22. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

Any person aggrieved by final order of the commissioner may obtain a review of the order in Franklin circuit court, by filing in court, within sixty (60) days after the entry of the order, a written petition praying that the order be modified or set aside in whole or in part. A copy of the petition shall be forthwith served upon the commissioner, and thereupon the commissioner shall certify and file in court a copy of the filing, testimony, and other evidence upon which the order was entered. When these have been filed, the court has exclusive jurisdiction to affirm, modify, enforce or set aside the order in whole or in part. No objection to the order may be considered by the court unless it was urged before the commissioner or there were reasonable grounds for failure to do so. The findings of the commissioner as to the facts, if supported by substantial evidence, are conclusive. If either party applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the additional evidence is material and that there were reasonable grounds for failure to adduce the evidence in the hearing before the commissioner the court may order the additional evidence to be taken before the commissioner and to be adduced upon the hearing in such manner and upon such conditions as the court may consider proper. The commissioner may modify his findings as to the facts, by reason of additional evidence so taken, and he shall file any modified or new findings, which if supported by substantial evidence shall be conclusive. The commencement of proceedings under this section does not, unless specifically ordered by the court, operate as a stay of the commissioner's order. An appeal may be taken from the judgment of the Franklin circuit court upon any such appeal to the court of appeals on the same terms and conditions as an appeal is taken in civil actions.

SECTION 23. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) It is unlawful for any person to make or cause to be made, in any document filed with commissioner or in any proceeding under this Act, any statement which is, at the time and in light of the circumstances under which it is made, false or misleading in any material respect.

(2) It is unlawful for any mortgage loan company, in connection with the operation of a mortgage loan business or the management or servicing or mortgage contracts, directly or indirectly:

(a) To employ a device, scheme or artifice to defraud;

(b) To engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

SECTION 24. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

(1) Any person who wilfully violates any provision of this Act, except subsection (1) of Section 23, or who willfully violates subsection (1) of Section 23 knowing the statement to be false or misleading in any material respect, shall be guilty of a Class D felony.

(2) Any person who willfully violates any rule or order of the commissioner, authorized under this Act, shall be guilty of a Class A misdemanor, but no person may be imprisoned for violation of any rule or order of which that person did not have actual knowledge.

(3) The commissioner may refer such evidence as is available concerning violations of this Act or any rule or order hereunder to the appropriate prosecuting attorney, who may, with or without such reference, institute the appropriate criminal proceeding under this Act.

(4) Nothing in this Act limits the powers of the state to punish any person for any conduct which constitutes a crime.

SECTION 25. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

If any provisions of this Act or the application thereof to any person or circumstances are held invalid, the invalidity shall not offset other provisions or applications of this Act which can be given effect without the invalid provision or application and for this purpose the provisions of this Act are separable.

SECTION 26. A NEW SECTION OF KRS CHAPTER 294 IS CREATED TO READ AS FOLLOWS:

Every mortgage loan company in existence as of the effective date of this Act and which is not exempt under this Act shall register within one hundred twenty (120) days thereafter.

HB 700, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.39-085 is amended to read as follows:

(1) The owner of a motor vehicle registered in this Commonwealth who is required by KRS 304.39-080(5) to provide the security required therein for the maintenance or use of such vehicle shall, as prima facie evidence only that such security is currently in full force and effect, affix to the [rear] window thereof an identifying sticker or emblem which indicates the month, day and year on which such security will expire unless renewed or replaced by said owner.

(2) The form, content and location in which the sticker or emblem required by subsection (1) of this section shall be affixed shall be prescribed by the commissioner by regulation. All such stickers or emblems shall be supplied by or under the authority of the department of insurance and shall be serially numbered for the purpose of determining the identity of the insurer of the vehicle and its owner for which it was issued.

(3) All stickers or emblems issued pursuant to this section shall be the property of the Commonwealth and shall be affixed by the owner to the vehicle covered by the required security only during such time as such security which it represents remains in full force and effect. Every vehicle owner shall immediately remove from such vehicle any sticker or emblem representing security which he knows has been terminated, cancelled, impaired or is otherwise ineffective to serve as security for such vehicle.

(4) Every vehicle owner meeting the security requirements of this subtitle through the purchase of a contract of insurance shall obtain within thirty (30) days a sticker or emblem evidencing such security from the authorized insurance company (or its authorized agent) with which he has contracted for such security. The commissioner shall furnish or authorize for each insurer sufficient quantities of such stickers or emblems as they may require for each vehicle which such insurer reasonably expects to insure during each annual period for which its policies of insurance are expected to be in force.

(5) Every vehicle owner meeting the security requirements of this subtitle through becoming a qualified self-insurer or an uninsured obligated government shall obtain a sticker or emblem directly from the commissioner.

(6) Every authorized insurance company which cancels or refuses to renew any contract of insurance on any vehicle insured by it for any vehicle owner prior to the normal expiration date of the sticker or emblem which it has furnished such owner for such vehicle shall notify such owner the date of which such sticker shall no longer be in full force and effect and should be removed from the vehicle.

[(7) Every authorized insurance company which cancels any contract of insurance required by KRS 304.39-080(5) in accordance with KRS 304.20-040(2) shall provide the commissioner of the bureau of state police notice of such cancellation as well as with notice to the insured.

(8) Every authorized insurance company shall provide notice of cancellation to the commissioner of the bureau of state police within thirty (30) days following the voluntary cancellation of a policy of insurance required by KRS 304.39-080(5) by a policyholder during the policy period.]

(7)[(9)] Every authorized insurer shall, upon request of the commissioner, furnish to the commissioner with regard to any numbered sticker or emblem furnished by it the name of the owner for whom the

security was provided, the vehicle insured by such security and the beginning and ending dates during which the security was in full force and effect.

(8)[(10)] Upon complaint by any person filed with the commissioner on a form to be prescribed by him alleging that any sticker or emblem was improperly affixed to any vehicle because the security therefor was not then in full force and effect, the commissioner shall determine the probable validity of said complaint by inquiry pursuant to subsection *(7)* [(9)] of this section and shall certify the results of his findings to the complainant and, if the security was not in effect on the date alleged, shall send a copy thereof to the commissioner of the bureau of state police who shall enforce the penalties provided for in KRS 304.99-060.

(9)[(11)] The commissioner may by regulation provide for:

(a) A temporary certificate or binder of insurance coverage which may be displayed in lieu of the sticker or emblem required by this section for a period not to exceed thirty (30) days during which time the owner of such vehicle shall secure the permanent sticker or emblem required by subsection (1) of this section;

(b) Every motor vehicle dealer or owner of more than five (5) motor vehicles providing the required security under an insurance policy that provides automatic coverage for all owned vehicles may be furnished a supply sufficient for his needs of stickers, emblems or other evidence of such security by his insurer.

(10)[(12)] *It shall be presumed that the required security does not exist with regard to any vehicle which has neither a current sticker nor emblem affixed thereto as required by this section and such absence shall be prima facie evidence that such security does not exist.* All *law enforcement* [state, city and county police] officers shall issue a citation for violation of this section to the owner or operator of any *such* vehicle, *unless such person produces a temporary certificate or binder of insurance, as provided for herein* [which has neither a current sticker or emblem affixed thereto or a temporary certificate or binder of insurance as required by this section].

HB 733, AN ACT relating to securities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 292.310 is amended to read as follows:

When used in this chapter, unless the context otherwise requires:

(1) "Director" means the director of the division of securities of the department of banking and securities;

(2) "Agent" means any individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect purchases or sales of securities, but "agent" does not include an individual who represents an issuer in:

(a) Effecting a transaction in a security exempted by subsections (1), (2), (3), [(5), (9),] (10), *or* (11) [or (12)] of KRS 292.400, *or subsections (5), (9) or (12) thereof if no commission or other remuneration is received for the sale of such securities,*

(b) Effecting transactions exempted by KRS 292.410 *unless otherwise required,* or

(c) Effecting transactions with existing employes, partners or directors of the issuer if no commission or other remuneration is paid or given directly or indirectly for soliciting any person in this state. A partner, officer, or director of a broker-dealer or issuer, or a person occupying a similar status or performing similar functions, is an agent only if he otherwise comes within this definition;

(3) "Broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for his own account. "Broker-dealer" does not include:

(a) An agent, issuer, bank, savings institution, or trust company,

(b) A person who has no place of business in this state if he effects transactions in this state exclusively with or through the issuers of the securities involved in the transactions, other broker-dealers, or banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees, or

(c) A person who has no place of business in this state if during any period of twelve consecutive months he does not direct more than fifteen offers to sell or to buy into this state in any manner to persons other than those specified in paragraph (b);

(4) "Certified" means, when used in regard to financial statements, examined and reported upon in accordance with generally accepted auditing standards with an opinion expressed by an independent public or certified public accountant;

(5) "Fraud," "deceit," and "defraud" are not limited to common-law deceit;

(6) "Guaranteed" means guaranteed as to payment of principal, interest, or dividends;

(7) "Investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities. "Investment adviser" does not include:

(a) A bank, savings institution, or trust company;

(b) A lawyer, accountant, engineer, or teacher whose performance of these services is solely incidental to the practice of his profession;

(c) A broker-dealer whose performance of these services is solely incidental to the conduct of his business as a broker-dealer and who receives no special compensation for them;

(d) A publisher of any bona fide newspaper, news magazine, or business or financial publication of general, regular, and paid circulation;

(e) A person whose advice, analyses, or reports relate only to securities exempted by KRS 292.400 (1);

(f) A person who has no place of business in this state if:

1. His only clients in this state are other investment advisers, broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees, or

2. During any period of twelve consecutive months he does not direct business communications into this state in any manner to more than five clients other than those specified in subparagraph 1., or

(g) Such other persons not within the intent of this subsection as the director may by rule or order designate;

(8) "Issuer" means any person who issues or proposes to issue any security, except that with respect to certificates of deposit, voting trust certificates, or collateral-trust certificates, or with respect to certificates of interest or shares in an unincorporated investment trust, not having a board of directors (or persons performing similar functions) or of the fixed, restricted management, or unit type, the term "issuer" means the person or persons performing the acts and assuming the duties of depositor or manager pursuant to the provisions of the trust or other agreement or instrument under which the security is issued;

(9) "Non-issuer" means not directly or indirectly for the benefit of the issuer;

(10) "Person" means an individual, a corporation, a partnership, an association, a joint-stock company, a trust where the interests of the beneficiaries are evidenced by a security, an unincorporated organization, a government, or a political subdivision of a government;

(11) "Sale" or "sell" includes every contract of sale of, contract to sell, or disposition of, a security or interest in a security for value. "Offer" or "offer to sell" includes every attempt to offer to dispose of, or solicitation of an offer to buy, a security or interest in a security for value. Any security given or delivered with, or as a bonus on account of, any purchase of securities or any other thing is considered to constitute part of the subject of the purchase and to have been offered and sold for value. A purported gift of assessable stock is considered to involve an offer and sale. Every sale or offer of a warrant or right to purchase or subscribe to another security of the same or another issuer, as well as every sale or offer, of a security which gives the holder a present or future right or privilege to convert into another security of the same or another issuer, is considered to include an offer of the other security;

(12) "Securities Act of 1933," "Securities Exchange Act of 1934," "Public Utility Holding Company Act of 1935," and "Investment Company Act of 1940" mean the federal statutes of those names as amended before or after January 1, 1961;

(13) "Security" means any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, *certificate* of deposit for a security; fractional undivided working interest in oil or gas rights; or, in general, any interest or instrument commonly known as a "security," or any certificate of interest in or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. "Security" does not include any insurance or endowment policy or annuity contract *or variable annuity contract issued by any insurance company* [under which an insurance company promises to pay a fixed number of dollars either in a lump sum or periodically for life or some other specified period];

(14) "State" means any state, territory, or possession of the United States, as well as the District of Columbia and Puerto Rico.

(15) Nothing in this section shall be construed to affect the classification of property for ad valorem tax purposes.

SECTION 2. A NEW SECTION OF KRS CHAPTER 292 IS CREATED TO READ AS FOLLOWS:

(1) KRS 292.320(1), 292.330(1), 292.340, 292.450, and 292.480 apply to persons who sell or offer to sell when an offer to sell is made in this state, or an offer to buy is made and accepted in this state.

(2) KRS 292.320(1), 292.330(1), and 292.450 apply to persons who buy or offer to buy when an offer to buy is made in this state, or an offer to sell is made and accepted in this state.

(3) For the purpose of this section, an offer to sell or to buy is made in this state, whether or not either party is then present in this state, when the offer originates from this state or is directed by the offeror to this state and received at the place to which it is directed (or at any post office in this state in the case of a mailed offer).

(4) For the purpose of this section, an offer to buy or to sell is accepted in this state when acceptance is communicated to the offeror in this state and has not previously been communicated to the offeror, orally or in writing, outside this state; and acceptance is communicated to the offeror in this state, whether or not either party is then present in this state, when the offeree directs it to the offeror in this state reasonably believing the offeror to be in this state and it is received at the place to which it is directed (or at any post office in this state in the case of a mailed acceptance).

(5) An offer to sell or to buy is not made in this state when the publisher circulates or there is circulated on his behalf in this state any bona fide newspaper or other publication of general, regular, and paid circulation which is not published in this state, or which is published in this state but has had more than two-thirds of its circulation outside this state during the past twelve (12) months, or a radio or television program originating outside this state is received in this state.

(6) Subsections (2), (3), and (4) of KRS 292.320, as well as KRS 292.330(1) and 292.450 so far as investment advisers are concerned, apply when any act instrumental in effecting prohibited conduct is done in this state, whether or not either party is then present in this state.

Section 3. KRS 292.325 is amended to read as follows:

The director may by rule or order require the filing of any prospectus, pamphlet, circular, form letter, advertisement, or other sales' literature, *radio, television,* or *other* advertising communication addressed or intended for distribution to prospective investors, including clients or prospective clients of an investment adviser, *as part of a registered offering or as a part of an exemption offering required to be filed under Section 6 of this Act* [unless the security or transaction is exempted by KRS 292.400].

Section 4. KRS 292.400 is amended to read as follows:

KRS 292.340 to 292.390 shall not apply to any of the following:

(1) Any security (including a revenue obligation) issued or guaranteed by the United States, any state, any political subdivision of a state, or any agency or corporate or other instrumentality of one or more of the foregoing; or any certificate of deposit for any of the foregoing;

(2) Any security issued or guaranteed by Canada, any Canadian province, any political subdivision of any such province, any agency or corporate or other instrumentality of one or more of the foregoing, or any other foreign government with which the United States currently maintains diplomatic relations, if the security is recognized as a valid obligation by the issuer or guarantor;

(3) Any security issued by and representing an interest in or a debt of, or guaranteed by, any bank organized under the laws of the United States, or any bank, savings institutions, or trust company organized and supervised under the laws of any state;

(4) Any security issued by and representing an interest in or a debt of, or guaranteed by, any federal savings and loan association, or any building and loan or similar association organized under the laws of any state and authorized to do business in this state;

(5) Securities issued by corporations formed under KRS Chapter 279;

(6) Any security issued or guaranteed by any federal credit union or any credit union, industrial loan association, or similar association organized and supervised under the laws of this state;

(7) Any security issued or guaranteed by any railroad, other common carrier, public utility, or holding company which is

(a) Subject to the jurisdiction of the Interstate Commerce Commission;

(b) A registered holding company under the Public Utility Holding Company Act of 1935 or a subsidiary of such a company within the meaning of that act;

(c) Regulated in respect of its rates and charges by a governmental authority of the United States or any state or municipality; or

(d) Regulated in respect of the issuance or guarantee of the security by a governmental authority of the United States, any state, Canada, or any Canadian province;

(8) Any security listed or approved for listing upon notice of issuance on the New York Stock Exchange, the American Stock Exchange, or the Midwest Stock Exchange or any other stock exchange approved by the director; any other security of the same issuer which is of senior or substantially equal rank; any security called for by subscription rights or warrants so listed or approved; or any warrant or right to purchase or subscribe to any of the foregoing;

(9) Any security issued by any person organized and operated not for private profit but exclusively for religious, educational, benevolent, charitable, fraternal, social, athletic, or reformatory purposes, or as a chamber of commerce or trade or professional association;

(10) Any commercial paper which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions, and which evidence an obligation to pay cash within nine months of the date of issuance, exclusive of days of grace, or any renewal of such paper which is likewise limited, or any guarantee of such paper or of any such renewal;

(11) Any investment contract issued in connection with an employe's stock purchase, savings, pension, profit-sharing, or similar benefit plan if the director is notified in writing thirty days before the inception of the plan or, with respect to plans which are in effect on January 1, 1961, within sixty days thereafter (or within thirty days before they are reopened if they are closed on January 1, 1961);

(12) Securities issued by corporations formed under or which have adopted the provisions of KRS 272.101 to 272.345 and patronage dividends or refunds be they in the form of stock, book equities, letters of credit or letters of advice issued by any agricultural cooperative association which are the result of distributable earnings or savings;

(13) Any class of securities added by the director, by rule and subject to such terms and conditions as the director prescribes, to the securities exempted by this section, if the director finds that enforcement of this chapter with respect to such securities is not necessary in the public interest and for the protection of investors by reason of the small amount involved or limited character of the public offering, but no issue of securities shall be exempted under this subsection where the aggregate amount at which such issue is offered to the public exceeds two hundred thousand dollars ($200,000);

(14) Any security which meets all of the following conditions:

(a) If the issuer is not organized under the laws of the United States or a state, it has appointed a duly authorized agent in the United States for service of process and has set forth the name and address of such agent in its prospectus;

(b) A class of the issuer's securities is required to be and is registered under Section 12 of the securities exchange act of 1934; and has been so registered for the three (3) years immediately preceding the offering date;

(c) Neither the issuer nor a significant subsidiary has had a material default during the last seven (7) years (or the issuer's existence if less than seven (7) years) in the payment of:

1. Principal, interest, dividend, or sinking fund installment on preferred stock or indebtedness for borrowed money; or

2. Rentals under leases with terms of three (3) years or more;

(d) The issuer has had consolidated net income (before extraordinary items and the cumulative effect of accounting changes) of at least one million dollars ($1,000,000) in four (4) of its last five (5) fiscal years including its last fiscal year; and if the offering is of interest bearing securities, has had for its last fiscal year, such net income, but before deduction for income taxes and depreciation, of at least one and one-half (1 ½) times the issuer's annual interest expense, giving effect to the proposed offering and the intended use of the proceeds. "Last fiscal year" means the most recent year for which audited financial statements are available, provided that such statements cover a fiscal period ended not more than fifteen (15) months from the commencement of the offering;

(e) If the offering is of stock or shares, other than preferred stock or shares, such securities have voting rights and such rights include:

1. The right to have at least as many votes per share; and

2. The right to vote on at least as many general corporate decisions, as each of the issuer's outstanding classes of stock or shares, except as otherwise required by law;

(f) If the offering is of stock or shares, other than preferred stock or shares, such securities are owned beneficially or of record, on any date within six (6) months prior to the commencement of the offering, by at least twelve hundred (1200) persons, and on such date there are at least seven hundred fifty thousand (750,000) such shares outstanding with an aggregate market value, based on the average bid price for that day, of at least three million seven hundred fifty thousand dollars ($3,750,000). In connection with the determination of the number of persons who are beneficial owners of the stock or shares of an issuer, the issuer or broker-dealer may rely in good faith for the purposes of this section upon written information furnished by the record owners.

Section 5. KRS 292.410 is amended to read as follows:

(1) Except as hereinafter in this section expressly provided, KRS 292.330 to 292.390 shall not apply to any of the following transactions:

(a) Any isolated non-issuer transaction, whether effected through a broker-dealer or not;

(b) Any non-issuer distribution of an outstanding security by a registered broker-dealer, if the security has a fixed maturity or a fixed interest or dividend provision and there has been no default during the current fiscal year or within the three (3) preceding fiscal years, or during the existence of the issuer and any predecessors if less than three (3) years, in the payment of principal, interest, or dividends on the security;

(c) Any non-issuer transaction effected by or through a registered broker-dealer pursuant to an unsolicited order or offer to buy; but the director may by rule require that the customer acknowledge upon a specified form that the sale was unsolicited, and that a signed copy of each such form be preserved by the broker-dealer for a specified period;

(d) Any transaction between the issuer or other person on whose behalf the offering is made and an underwriter, or among underwriters;

(e) Any transaction in a bond or other evidence of indebtedness secured by a real or chattel mortgage or deed of trust, or by an agreement for the sale of real estate or chattels, if the entire mortgage, deed of trust, or agreement, together with all the bonds or other evidences of indebtedness secured thereby, is offered and sold as a unit;

(f) Any transaction by an executor, administrator, sheriff, marshal, receiver, trustee in bankruptcy, guardian, or conservator;

(g) Any transaction executed by a bona fide pledgee without any purpose of evading this chapter;

(h) Any offer or sale to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity;

(i) Any transaction pursuant to an offer directed by the offeror to not more than twenty-five (25) persons (other than those designated in paragraph (h)) in this state during any period of twelve (12) consecutive months, whether or not the offeror or any of the offerees is then present in this state, if

1. The seller reasonably believes that all the buyers are purchasing for investment, and

2. No commission or other remuneration is paid or given directly or indirectly for soliciting any prospective buyer in this state (other than those designated in paragraph (h)); but the director may by rule or order, as to any security or transaction, withdraw or further condition this exemption, or increase or decrease the number of offerees permitted, or waive the conditions in subparagraphs 1. and 2. of this paragraph with or without the substitution of a limitation on remuneration;

(j) Any offer or sale of a preorganization certificate or subscription, if

1. No commission or other remuneration is paid or given directly or indirectly for soliciting any prospective subscriber,

2. The number of subscribers does not exceed twenty-five (25), and

3. No payment is made by any subscriber;

(k) Any transaction pursuant to an offer to existing security holders of the issuer, including persons who at the time of the transaction are holders of convertible securities, non-transferable warrants, or transferable warrants exercisable within not more than ninety (90) days of their issuance, if

1. No commission or other remuneration (other than a standby commission) is paid or given directly or indirectly for soliciting any security holder in this state, or

2. The issuer first files a notice specifying the terms of the offer and the director does not by order disallow the exemption within the next five (5) full business days;

(l) Any offer (but not a sale) of a security for which registration statements have been filed under both this chapter and the Securities Act of 1933 if no stop order or refusal order is in effect and no public proceeding or examination looking toward such an order is pending under either act;

(m) The issuance of any stock dividend, whether the corporation distributing the dividend is the issuer of the stock or not, if nothing of value is given by stockholders for the distribution other than the surrender of a right to a cash dividend where the stockholder can elect to take a dividend in cash or stock;

(n) Any transaction incident to a right of conversion or a statutory or judicially approved reclassification, recapitalization, reorganization, quasi reorganization, stock split, reverse stock split, merger, consolidation or sale of assets;

(o) Any transaction by a person who does not control, and is not controlled by or under common control with, the issuer if

1. The transaction is at a price reasonably related to the current market price,

2. The security is registered under Section 12 of the Securities Exchange Act of 1934 and the issuer files reports pursuant to Section 13 of that act, and

3. Copies of such federal registration statements, reports, forms or exhibits as the director may by rule or order require are filed with the director;

(p) Any transaction by a person who may control, or may be controlled by or under common control with, the issuer if

1. The transaction is at a price reasonably related to the current market price,

2. The security is registered under Section 12 of the Securities Exchange Act of 1934 and the issuer files reports pursuant to Section 13 of that act, and

3. Copies of such federal registration statements, forms, reports or exhibits as the director may by rule or order require are filed with the director, and

4. Such sales by any such person comply with such rules as the director may prescribe;

(q) Any transaction for which the director by rule or order finds that registration is not necessary or appropriate in the public interest or for the protection of investors.

(2) The director may by order deny or revoke the exemption specified in KRS 292.400(9), [or] (11), *(12) or (13)* or in this section with respect to a specific security or transaction. No such order may be entered without appropriate prior notice to all interested parties, opportunity for hearing, and written findings of fact and conclusions of law, except that the director may by order summarily deny or revoke any of the specified exemptions pending final determination of any proceeding under this subsection. Upon entry of a summary order, the director shall promptly notify all interested parties that it has been entered and of the reasons therefor and that within fifteen days of the receipt of a written request the matter will be set down for hearing. If no hearing is requested and none is ordered by the director, the order will remain in effect until it is modified or vacated by the director. If a hearing is requested or ordered, the director, after notice of and opportunity for hearing to all interested persons, may modify or vacate the order to extend it until final determination. No order under this subsection may operate retroactively. No person may be considered to have violated this chapter by reason of any offer or sale effected after the entry of an order under this subsection if he sustains the burden of proof that he did not know, and in the exercise of reasonable care could not have known of the order. In any proceeding under this chapter, the burden of proving an exemption from a definition is upon the person claiming it.

SECTION 6. A NEW SECTION OF KRS CHAPTER 292 IS CREATED TO READ AS FOLLOWS:

(1) Before any security may be issued as an exempt security under subsections (4), (5), (6), (9), (12), (13) or (14) or KRS 292.400, or offered for sale or sold as an exempt transaction under KRS 292.410(1)(i), (j), or (k), a claim of exemption must first be filed with the director and the director by order shall not have determined that the exemption is unavailable within the next five (5) full business days. A claim of exemption filed under this section shall be in such form and contain such information as the director by rule or order requires and each offering shall be effective for a maximum of twelve (12) consecutive months unless the director by rule or order extends such period of time, not to exceed five (5) years.

(2) For every claim of exemption filed with the director there shall be paid to the director a filing fee of one hundred dollars ($100), except that for a claim of exemption filed under subsection (9) of KRS 292.400 the filing fee is one-tenth (1/10) of one percent (1%) of the maximum aggregate offering price at which the securities are to be offered in this state, but the fee shall in no case be less than one hundred dollars ($100) or more than five hundred dollars ($500). The director shall have authority to amend or rescind under this subsection such filing fees by rule or order if the director determines that such fee is excessive under the circumstances.

(3) Any person who fails to comply with this section shall be liable for a fee in the amount of five (5) times the initial filing fee and the director may issue a stop order denying effectiveness to, or suspending or revoking the effectiveness of an exemption, if he finds that the order is in the public interest and that any security has been or is about to be offered or sold in violation of this section. If the director finds it appropriate in the public interest or necessary for the protection of investors, the director may order any issuer in violation of this section to make an offer of recision.

(4) Failure by any person to file a claim of exemption under this section shall not give rise to a private right of action under KRS 292.330(1), 292.340 or 292.480 which would not otherwise be available under the provisions of this chapter.

(5) Any person who fails to file a claim of exemption under this section, unless he does so intentionally, shall not be subject to KRS 292.991.

Section 7. KRS 292.420 is amended to read as follows:

(1) In any proceeding under this chapter, the burden of proving an exemption or an exception from a definition is upon the person claiming it.

(2) The director may require any person, who is selling or offering for sale or who is about to sell or offer for sale or who has sold or offered for sale any security within this state, to file a statement of the claim of exemption, if any, upon which such person is relying, and if any time, in the opinion of the director, the information contained in such statement filed is misleading, incorrect, inadequate, or fails to establish the right of exemption, he may require such person, agent, or investment adviser to file such information as may in his opinion be necessary to establish the claimed exemption. The refusal to furnish information as required by order of the director pursuant to the provisions of this subsection, within a reasonable time to be fixed by the director, shall be proper ground for the entry of an order by the director suspending and/or cancelling the registration of the broker-dealer, agent or investment adviser.

(3) The director shall have authority at all times to consider and determine whether any proposed sale, transaction, issue or security is entitled to an exemption or an exception from the definition accorded by this chapter, provided, however, that the director in his discretion may decline to exercise such authority as to any proposed sale, transaction, issue, or security. Any interested party desiring the director to exercise

such authority shall submit to the director a verified statement of all material facts relating to the proposed sale, transaction, issue or security, which verified statement shall be accompanied by a request for a ruling as to the particular exemption or exception from definition, together with a filing fee of *fifty dollars ($50) except for a request for a ruling or order pursuant to KRS 292.410(1)(i) which shall be accompanied by a filing fee of one hundred dollars ($100)* [ten dollars]. After such notice to interested parties as the director shall deem proper and after a hearing, if any, the director may enter an order finding the proposed sale, transaction, issue or security entitled or not entitled to the exemption or the exception from definition as claimed. An order so entered, unless an appeal be taken therefrom in the manner prescribed in this chapter, shall be binding upon the director, provided that the proposed sale, transaction, issue or security when consummated or issued conforms in every relevant and material particular with the facts as set forth in the verified statement as submitted.

HB 763, AN ACT relating to securities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 292.610 is amended to read as follows:

An offeror is subject to the liabilities and penalties applicable to a seller, and an offeree is entitled to the remedies applicable to a purchaser, as set forth in KRS *292.480 and* 292.991.

HB 833, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.9-170 is amended to read as follows:

KRS 304.9-160 shall not apply and no such examination shall be required of:

(1) Any applicant for license covering the same kind or kinds of insurance as to which the applicant was licensed under a similar license in this state, other than a temporary license, within the twelve (12) months next preceding date of application, unless such previous license was revoked, suspended, or continuation thereof refused by the commissioner.

(2) In the commissioner's discretion, any applicant who has been licensed under a similar license in another state within twelve (12) months prior to his application for license in this state, and who files with the commissioner the certificate of the public official having supervision of insurance in such other state as to applicant's license and good conduct in such state.

(3) Persons representing public carriers who, in the course of such representation, solicit or sell insurance incidental to the transportation of persons or to the storage or transportation of property.

(4) Persons soliciting or negotiating credit life and credit health and accident insurance contracts.

(5) An applicant for an agent's license who is currently licensed as a solicitor or as a consultant as to the same kind or kinds of insurance, or has been so licensed within twelve (12) months next preceding date of application for the license, unless such previous license was revoked or suspended or continuation thereof refused by the commissioner.

(6) Any applicant for license covering the same kind or kinds of insurance as to which that applicant shall have held a valid license issued pursuant to Subtitle 9 of KRS Chapter 304 or other applicable Kentucky law which was surrendered, pursuant to KRS 304.2-080 or other applicable law, in order to accept employment with the department of insurance, provided, however, that such applicant shall apply for re-licensing within one (1) year of the date of termination of his employment with the department of insurance.

HB 834, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.99-060 is amended to read as follows:

(1) The owner of any vehicle which fails to have in full force and effect security required by subtitle 39 of KRS Chapter 304 and who does not have any sticker or emblem affixed to the vehicle shall be fined

not less than fifty dollars ($50) nor more than five hundred dollars ($500) and shall have the license plates thereof suspended for a period of thirty (30) days or until such time thereafter as proof, in a form satisfactory to the commissioner, is furnished that such security is then and will remain in effect.

(2) The owner of any vehicle which fails to have in full force and effect the security required by subtitle 39 of KRS Chapter 304 and who has affixed to a vehicle a sticker or emblem which he knows was not in full force and effect at that time shall be fined not less than fifty dollars ($50) nor more than five hundred dollars ($500) and shall have the license plates of such vehicle suspended for a period of ninety (90) days or until such time thereafter as proof, in a form satisfactory to the commissioner, is furnished that such security is then and will remain in effect.

(3) The owner of any vehicle which fails to have in full force and effect the security required by subtitle 39 of KRS Chapter 304 who has affixed to the vehicle a sticker or emblem which he knows is fraudulent or counterfeit shall be fined not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000) and shall have the license plates of such vehicle suspended for a period of one (1) year or until such time thereafter as proof, in a form satisfactory to the commissioner, is furnished that such security is then and will remain in effect.

(4) Any person who fraudulently distributes any sticker or emblem or temporary certificate or binder of insurance *or who knowingly distributes a counterfeit sticker or emblem or temporary certificate or binder of insurance* to any person for any vehicle shall be fined not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000) or confined to the county jail for a period not to exceed thirty (30) days or both.

(5) Any person cited for a violation of KRS 304.39-085 who exhibits to the trial court a written certificate executed by his insurer or its representative or agent that on the date of the citation there was in full force and effect the security required by subtitle 39 of KRS Chapter 304 shall be acquitted and the action shall be dismissed.

SB 10, AN ACT relating to financial institutions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 287.070 is amended to read as follows:

(1) The capital stock of any financial institution mentioned in KRS 287.040 organized prior to May 31, 1938 shall be maintained in the amount required by the law in effect on May 30, 1938.

(2) The minimum capital stock of any bank or trust company organized after *July 1, 1980* [May 30, 1938] shall be as follows, according to the city in which it is located:

Cities of up to 7,999 population	*$ 250,000*[$ 25,000]
Cities of 7,999 to 19,999 population	*$ 500,000*[$ 50,000]
Cities of 20,000 to 100,000 population	*$1,000,000*[$100,000]
Cities of over 100,000 population	*$2,000,000*[$200,000]

[(3) The minimum capital stock of any combined bank and trust company, combined bank and real estate title insurance company or combined trust and real estate title insurance company or combined bank trust and real estate title insurance company, organized after May 30, 1938, shall be not less than twice the amount stated in subsection (2) of this section.]

SB 32, AN ACT relating to fire insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF SUBTITLE 14 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

Any resident of this state who is the person named as the insured in any policy of fire insurance issued or delivered in this state on property located in this state and who sustained a loss of or to such property, which loss is covered under such policy, for which he becomes entitled to receive payment in cash from the insuring company shall also be entitled to receive payment of interest at the rate of eight (8) percent per annum from such insuring company on any portion of such payment entitlement which is not paid nor tendered to such resident within thirty (30) days after receipt by the insuring company of a proof of loss executed and sworn by such resident, to the best of his knowledge and belief claiming any such amount to be due.

SB 247, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.18-110 is amended to read as follows:

(1) Any group policy as defined in KRS 304.18-020 delivered or issued for delivery in this state which provides hospital or surgical benefits other than for specific diseases or accidental injury only, shall provide that if coverage terminates for any reason and if the individual has been continuously insured under a group policy and under any group policy it replaces for at least three months immediately preceding the termination of coverage, he shall be entitled to have issued to him by the insurer, without evidence of insurability, a health insurance policy on a form *providing substantially similar benefits, which shall include the option to continue any existing maternity benefits* [then available for conversion from the group coverage], by making written application therefor, accompanied by the first quarterly, semiannual or annual premium, at the option of the person or member, to the insurer not later than thirty-one (31) days after such termination of coverage. Such premium shall be in accordance with the insurer's table of premium rates in effect on the later of (a) the effective date of the converted policy or (b) the date of application therefor, and applicable to the class of risk to which the covered persons belong and to their ages and to the form and amount of insurance provided.

(2) The converted policy shall cover the person or member and his eligible dependents covered by the group policy on the date the group policy terminated. The effective date of any such converted policy shall be the date of termination of insurance under the group policy.

(3) The insurer shall not be required to issue a converted policy covering any person if such person is or could be covered by Medicare (Title XVIII of the United States Social Security Act as added by the Social Security Amendments of 1965 or as later amended or superseded). Furthermore, the insurer shall not be required to issue a converted policy covering any person if (a) such person is covered for similar benefits by another hospital or surgical or medical expense insurance policy or hospital or medical service subscriber contract or medical practice or other prepayment plan or by any other plan or program or (b) similar benefits are provided for, or available to, such person pursuant to, or in accordance with the requirements of, any statute, and the benefits provided or available under any of the sources referred to in (a) and (b) above for such person, together with the converted policy, would result in over insurance according to the insurer's standards relating to policies converted from group policies. A converted policy made available pursuant hereto shall *provide substantially similar benefits but in no event be less than the minimum standards contained in* [comply with] KRS 304.18-120 if delivery of such converted policy is to be made in this state; and, if delivery of such converted policy is to be made elsewhere, it may be on such form as the insurer may then be offering for such conversion in the jurisdiction where such delivery is to be made and which provides substantially in compliance with that required by KRS 304.18-120.

(4) In the event coverage would be continued under the group policy on a person or member following his retirement prior to the time he is or could be covered by Medicare, he may elect, in lieu of such continuation of group insurance, to have the same conversion rights as would apply had his insurance terminated at retirement by reason of termination of employment.

(5) The conversion privilege shall also be available: (a) to the surviving spouse, at the death of the person or member, with respect to the spouse and such children whose coverage under the group policy terminates by reason of the death of the person or member*; or* [and] (b) to a child solely with respect to himself upon termination of his coverage by reason of operation of the limiting age of coverage under the group policy while covered as a dependent thereunder*; or (c) to a former spouse for himself and such children of whom he is awarded custody when coverage under the group policy terminates by reason of termination of dependency as defined in the group policy and resulting from an order dissolving the marriage entered by a court of competent jurisdiction.*

(6) This section shall not apply to group major medical expense insurance which supplements basic hospital, medical and surgical coverage under one or more group policies, group contracts or group remittance contracts from which a converted policy or a continuation of coverage is available providing benefits equivalent to the minimum benefits for a converted policy under this section.

(7) If a person or member becomes entitled to obtain a converted policy pursuant to the foregoing provisions, and if such person or member has not been given written notice of the existence of the conversion privilege stated above, within thirty-one (31) days of termination of the group coverage, then in such event the person or member shall have an additional period within which to exercise the conversion privilege. This additional period shall expire fifteen (15) days after the person or member shall have been given said notice but in no event shall the additional period extend beyond sixty (60) days after the expiration of the thirty-one (31)-day conversion period stated above. Written notice presented to the person or member or mailed by the policyholder to the last known address of the person or member or mailed by the insurer to the last known address of the person or member as furnished by the policyholder shall constitute the giving of notice for the purpose of this paragraph. If an additional period is allowed the person or member for exercise of the conversion privilege as provided herein, and if written application for the converted policy, accompanied by

the first quarterly or semiannual or annual premium, is made after the expiration of the thirty-one (31)-day conversion period stated above, but within the additional period allowed an employe or member in accordance with this paragraph, the effective date of the converted policy shall be the date of termination from the group.

SECTION 2. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 32, IS CREATED TO READ AS FOLLOWS:

Any group policy, group plan or group contract issued, delivered or renewed in this state by a nonprofit hospital, medical-surgical, or health service corporation shall include a conversion privilege for individual certificate holders equal to that provided in KRS 304.18-110 subject to the minimum benefits specified in KRS 304.18-120.

SECTION 3. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 38, IS CREATED TO READ AS FOLLOWS:

Any group policy, group plan or group contract issued, delivered or renewed in this state by a health maintenance organization shall include a conversion privilege for individual certificate holders equal to that provided in KRS 304.18-110 subject to the minimum benefits specified in KRS 304.18-120.

SB 280, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.39-085 is amended to read as follows:

(1) The owner of a motor vehicle registered in this Commonwealth who is required by KRS 304.39-080(5) to provide the security required therein for the maintenance or use of such vehicle shall, as prima facie evidence only that such security is currently in full force and effect, affix to the rear window thereof an identifying sticker or emblem which indicates the month, day and year on which such security will expire unless renewed or replaced by said owner.

(2) The form, content and location in which the sticker or emblem required by subsection (1) of this section shall be affixed shall be prescribed by the commissioner by regulation. All such stickers or emblems shall be supplied by or under the authority of the department of insurance and shall be serially numbered for the purpose of determining the identity of the insurer of the vehicle and its owner for which it was issued.

(3) All stickers or emblems issued pursuant to this section shall be the property of the Commonwealth and shall be affixed by the owner to the vehicle covered by the required security only during such time as such security which it represents remains in full force and effect. Every vehicle owner shall immediately remove from such vehicle any sticker or emblem representing security which he knows has been terminated, cancelled, impaired or is otherwise ineffective to serve as security for such vehicle.

(4) Every vehicle owner meeting the security requirements of this subtitle through the purchase of a contract of insurance shall obtain within thirty (30) days a sticker or emblem evidencing such security from the authorized insurance company (or its authorized agent) with which he has contracted for such security. The commissioner shall furnish or authorize for each insurer sufficient quantities of such stickers or emblems as they may require for each vehicle which such insurer reasonably expects to insure during each annual period for which its policies of insurance are expected to be in force.

(5) Every vehicle owner meeting the security requirements of this subtitle through becoming a qualified self-insurer or an uninsured obligated government shall obtain a sticker or emblem directly from the commissioner. *A sticker or emblem evidencing coverage of a vehicle by a qualified self-insurer shall not expire until that self-insurer ceases to own the vehicle or ceases to be a qualified self-insurer for that vehicle.*

(6) Every authorized insurance company which cancels or refuses to renew any contract of insurance on any vehicle insured by it for any vehicle owner prior to the normal expiration date of the sticker or emblem which it has furnished such owner for such vehicle shall notify such owner the date of which such sticker shall no longer be in full force and effect and should be removed from the vehicle.

(7) Every authorized insurance company which cancels any contract of insurance required by KRS 304.39-080(5) in accordance with KRS 304.20-040(2) shall provide the commissioner of the bureau of state police notice of such cancellation as well as with notice to the insured.

(8) Every authorized insurance company shall provide notice of cancellation to the commissioner of the bureau of state police within thirty (30) days following the voluntary cancellation of a policy of insurance required by KRS 304.39-080(5) by a policyholder during the policy period.

(9) Every authorized insurer shall, upon request of the commissioner, furnish to the commissioner with regard to any numbered sticker or emblem furnished by it the name of the owner for whom the security was provided, the vehicle insured by such security and the beginning and ending dates during which the security was in full force and effect.

(10) Upon complaint by any person filed with the commissioner on a form to be prescribed by him alleging that any sticker or emblem was improperly affixed to any vehicle because the security therefor was not then in full force and effect, the commissioner shall determine the probable validity of said complaint by inquiry pursuant to subsection (9) of this section and shall certify the results of his findings to the complainant and, if the security was not in effect on the date alleged, shall send a copy thereof to the commissioner of the bureau of state police who shall enforce the penalties provided for in KRS 304.99-060.

(11) The commissioner may by regulation provide for:

(a) A temporary certificate or binder of insurance coverage which may be displayed in lieu of the sticker or emblem required by this section for a period not to exceed thirty (30) days during which time the owner of such vehicle shall secure the permanent sticker or emblem required by subsection (1) of this section;

(b) Every motor vehicle dealer or owner of more than five (5) motor vehicles providing the required security under an insurance policy that provides automatic coverage for all owned vehicles may be furnished a supply sufficient for his needs of stickers, emblems or other evidence of such security by his insurer.

(12) All state, city and county police officers shall issue a citation for violation of this section to the owner or operator of any vehicle which has neither a current sticker or emblem affixed thereto or a temporary certificate or binder of insurance as required by this section.

The Committee Amendment No. 1 to **SB 280** is as follows:

Amend printed copy of **SB 280** on page 5, line 4, after "." add the words: "*A sticker or emblem evidencing coverage by a motor vehicle dealer shall not expire until that dealer ceases to own the vehicle or ceases to maintain insurance as required by KRS 304.39-080.*"

HB 707, AN ACT relating to state depositories.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 41.240 is amended to read as follows:

(1) Before any bank shall be named as a state depository to receive public funds, it shall pledge to the state treasurer, as collateral, securities having a face value at least ten per cent (10%) in excess of the deposits and having a current quoted market value at least equal to the deposits, provided, however, that amounts insured by the Federal Deposit Insurance Corporation need not be collateralized. The president or cashier of each depository bank shall submit to the treasurer a statement subscribed and sworn to by him showing the current quoted market value of the securities pledged as of the time the securities are offered as collateral. The state treasurer and governor may from time to time call for additional collateral to adequately secure the deposits as current market values may require.

(2) Only the following securities may be accepted by the State Treasurer as collateral under this section:

(a) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the credit of the United States is pledged for the payment of the principal and interest thereof, and any bonds, notes, debentures or any other obligations or securities issued or guaranteed by any federal governmental agency, presently or in the future established by an Act of Congress, as amended or supplemented from time to time;

(b) Obligations of the Commonwealth of Kentucky including revenue bonds issued by its statutory authorities, commissions or agencies;

(c) Revenue bonds issued by educational institutions of the Commonwealth of Kentucky as authorized by KRS 162.340 to 162.380;

(d) Obligations of any city of the first, second, and third classes of the Commonwealth of Kentucky, or any county, for the payment of principal and interest on which the full faith and credit of the issuing body is pledged;

(e) School improvement bonds issued in accordance with the authority granted under KRS 162.080 to 162.100; and

(f) School building revenue bonds issued in accordance with the authority granted under KRS 162.120 to 162.300, provided that the issuance of such bonds is approved by the state board of education.

(3) In lieu of the pledge of collateral provided for in subsection 1 of this section, any bank named as a state depository to receive public funds may post a bond payable to the Commonwealth of Kentucky and in the same form as bonds provided by banks when acting as a corporate fiduciary. Such bond shall be posted with the state treasurer in a face amount equal to at least one hundred ten percent (110%) of the deposits not otherwise collateralized or insured by the federal deposit insurance corporation.

(4) Notwithstanding the provisions of subsections (1) and (3) of this section, the state investment commission may, by the promulgation of rules and regulations, prescribe alternate methods and standards for insuring the safety of public funds deposited with state depositories.

The Committee Amendment No. 1 to **HB 707** is as follows:

Amend printed copy of **HB 707** on page 3, following line 14, as follows:

"Section 2. KRS 41.010 is amended to read as follows:

(1) As used in KRS 41.070, 41.110, 41.120, 41.130, 41.150, 41.160, 41.290, 41.300 or 41.990, unless the context requires otherwise, the terms "appropriation," "budget unit," "disbursement," "employe," "expenditures," "expenses," and "receipts" have the meaning given them by KRS 43.010 and 45.010.

(2) As used in Chapter 41 depositories, state depositories, bank, banks, state depository banks or depository banks shall mean any state or federally chartered bank and savings and loan association.

HB 652, AN ACT relating to the Kentucky "FAIR" Plan and Reinsurance Association.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.35-010 is amended to read as follows:

All insurers licensed to write [and writing] property insurance in this Commonwealth on a direct basis *shall* [are authorized], subject to approval and regulation by the Commissioner of Insurance, [to] establish and maintain a "FAIR" (Fair Access to Insurance Requirements) Plan and [to] establish and maintain a Reinsurance Association and [to] formulate and from time to time amend the Plan and Articles of Association and rules and regulations in connection therewith, and [to] assess and share on a fair and equitable basis all expenses, income, and losses incident to such "FAIR" Plan and Reinsurance Association in a manner consistent with the provisions of this subtitle [and in conformity with the Urban Property Protection and Reinsurance Act of 1968 as amended. (Title XI of Housing and Urban Development Act of 1968, Public Law 90-448, 90th Congress, August 1, 1968)].

Section 2. KRS 304.35-020 is amended to read as follows:

Each insurer authorized to write [and writing] property insurance on a direct basis in this Commonwealth shall be required to become and remain a member of the Plan and the Reinsurance Association, and comply with the requirements thereof as a condition of its authority to transact property insurance business.

Section 3. KRS 304.35-030 is amended to read as follows:

The "FAIR" plan and articles of association shall make provision for a Reinsurance Association having authority on behalf of its members to cause to be issued property insurance policies, to reinsure in whole or in part any such policies, and to cede any such reinsurance. The plan and articles of association shall provide, among other things, for the perils to be covered, geographical area of coverage, compensation and commissions, assessments of members, participation in the writings, expenses, income and losses in the proportion each member's *property* premiums written bear to the aggregate *property* premiums written by all members, the administration of the plan and association, and any other matter necessary or convenient for the purpose of assuring fair access to insurance requirements [provided the same permits each member insurer thereof to qualify for federal reinsurance under the Urban Property Protection and Reinsurance Act of 1968, as amended. Provided, however, That any plan devised hereunder may include only those perils specified by the secretary of housing and urban development to enable insurers to qualify for federal reinsurance under the Urban Property Protection and Reinsurance Act of 1968, as amended].

Section 4. KRS 304.35-040 is amended to read as follows:

(1) The Reinsurance Association shall be governed by a committee consisting of seven (7) persons to be appointed by the commissioner of insurance within five (5) days from *the effective date of this Act* [June 16, 1972]. The governing committee shall be composed of two (2) persons representing insurers chartered under the laws of the commonwealth of Kentucky, one (1) person representing an insurer that is neither chartered under the laws of the commonwealth of Kentucky nor affiliated with one (1) of the national insurance trade associations, one (1) person representing an insurer from each of the following three (3) associations: American Insurance Association, American Mutual Insurance Alliance, National Association of Independent Insurers, and one (1) licensed insurance agent.

(2) Within thirty (30) days following *the effective date of this Act* [June 16, 1972], the governing committee of the association shall submit to the commissioner of insurance, for his review, a proposed "FAIR" plan and articles of association consistent with the provisions of this subtitle.

(3) The "FAIR" plan and articles of association shall be subject to approval by the commissioner of insurance and shall take effect five (5) days after having been approved by him. If the commissioner disapproves all or any part of the proposed plan and articles, the governing committee of the association shall within fifteen (15) days submit for review an appropriately revised plan and articles; and, if the governing committee fails to do so, the commissioner shall thereafter promulgate such plan and articles consistent with the provisions of this subtitle.

(4) The governing committee of the association may, on its own initiative or *shall* at the request of the commissioner, amend the plan and articles, subject to approval by the commissioner.

Section 5. KRS 304.35-050 is amended to read as follows:

Any person aggrieved by any action or decision of the *governing committee* [administrators of the Plan, the Reinsurance Association, or of any insurer as a result of its participation therein,] may appeal to the Commissioner of Insurance within thirty days from the date of the action or the decision. The commissioner shall, after hearing held upon proper notice, issue an order approving the action or decision or disapproving the action or decision with respect to the matter which is the subject of appeal. All final orders and decisions of the Commissioner of Insurance shall be subject to judicial review.

Section 6. KRS 304.35-060 is amended to read as follows:

There shall be no liability on the part of, and no cause of action of any nature shall arise against *member* insurers, any inspection bureau, placement facility, or reinsurance association, or *the* [their] governing committee, agents or employes, or the Commissioner of Insurance or his authorized representatives, for any inspections undertaken or statements made by any of them concerning the property to be insured, or any person having a legal interest therein, and any reports and communications in connection therewith shall not be considered public documents.

Section 7. KRS 304.35-070, Riot or civil disorders reinsurance reimbursement fund; KRS 304.35-080, Assessment — Inability to pay; KRS 304.35-090, Deposit of assessments; KRS 304.35-100, Recoupment by insurers; and KRS 304.35-110, Termination — Outstanding obligations, are hereby repealed.

The Committee Amendment No. 1 to **HB 652** is as follows:

Amend printed copy of **HB 652** on page 1, line 3, after the word "write", delete "[" and "]" surrounding the words "and writing";

and on page 2, line 1, after the word "write", delete "[" and "]" surrounding the words "and writing"

and on page 3, line 20, delete the words "American Mutual Insurance Alliance" and insert the words "Alliance of American Insurers";

and on page 5, line 17, after the word "documents." add the following:

"(2) All rights and obligations accruing under Chapter 35 of the 1972 Acts are hereby preserved. The plan and association created pursuant to this Act shall become the successors to the plan and association created pursuant to Chapter 35 of the 1972 Acts, and shall assume all assets and liabilities thereof existing on July 15, 1980, and shall hold all such surplus assets, after the payment of all such liabilities, as a security fund for the payment of loss to insured property or expense of operating said plan and association until either said security fund is exhausted or the plan and association of any lawful successor thereto is dissolved.";

and on page 5, line 7, before "There" insert "*(1)*".

HB 802, AN ACT relating to credit unions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 290.130 is amended to read as follows:

(1) At the first meeting of the board of directors and at the first meeting of the board following the annual membership meeting in each fiscal year, the board shall elect from their number a president, vice president, secretary and treasurer. The offices of secretary and treasurer may, if the bylaws so provide, be held by one person. The board of directors shall have the general management of the affairs, funds and records of the corporation and shall meet as often as necessary.

(2) Unless the bylaws specifically reserve all or any of the following duties to the members, the directors shall:

(a) Act upon applications for membership; or appoint an executive committee or a membership officer from among the members of the credit union, other than the treasurer, an assistant treasurer, or a loan officer, who may be authorized by the board to approve applications for membership under such conditions as the board may prescribe;

(b) Determine the rate of interest, consistent with the provisions of this chapter, which shall be allowed on deposits and charged on loans;

(c) Fix the maximum number of shares which may be held by and the maximum amount which may be loaned to any one member, declare dividends and recommend amendments to the bylaws;

(d) Fill vacancies in the board of directors and in the credit committee until the election and qualification of successors;

(e) Have charge of the investment of funds other than loans to members;

(f) Employ *and dismiss for cause* persons necessary to carry on the business of the credit union;

(g) Perform such other duties as the members authorize from time to time;

(h) Appoint such special committees as the board deems appropriate.

(3) Each director, officer, member or employe having custody of funds shall be bonded. The type and amount of each bond shall be fixed by the board of directors, subject to the following:

(a) If the assets of the credit union amount to less than $50,000 the bond shall be a blanket type bond or a position type faithful performance bond in an amount not less than 20 per cent of the total assets;

(b) If the assets of the credit union amount to $50,000 or more, the bond shall be a blanket type faithful performance bond of a minimum amount determined as follows:

Assets	Amount of Bond
$ 50,000 to $200,000	20% of total assets
$200,000 to $400,000	20% of first $200,000
	15% of amount over $200,000
$400,000 to $600,000	20% of first $200,000
	15% of second $200,000
	5% of amount over $400,000
$600,000 and over	20% of first $200,000
	15% of second $200,000
	5% of third $200,000
	2 ½% of amount over $600,000

(4) *Officers, directors, members of the credit committee and members of the supervisory committee may receive compensation for their services and may be reimbursed for necessary expenses incidental to the performance of their duties. Compensation, if allowed, will be subject to the approval of the commissioner and will be based on the retained earnings of the credit union* [Except as provided herein, no officer, director or member of the credit committee or supervisory committee shall receive any compensation, directly or indirectly, for services he performs in such capacity. The board of directors may fix reasonable compensation for the treasurer, assistant treasurer, and office personnel].

Section 2. KRS 290.150 is amended to read as follows:

(1) The supervisory committee shall inspect the securities, cash and accounts of the corporation and supervise the acts of its officers, board of directors and credit committee. At any time, the supervisory committee, by a unanimous vote, may suspend the credit committee or any member thereof, the board of directors or any member thereof, or any officer elected by the board. By a majority vote the supervisory committee may call a meeting of the shareholders to consider any violation of this chapter or of the bylaws or any practice of the corporation which, in the opinion of the committee, is unsafe or unauthorized. Within seven (7) days after the suspension of any member of the board, committee or any officer, the supervisory committee shall cause notice to be given of a special meeting of all the members to take action relative to the suspension. The supervisory committee shall fill vacancies in their own number until the next meeting of the members. The fact of the intention to fill such vacancy shall be contained in the call for the meeting.

(2) The supervisory committee shall make, or cause to be made, at least *semi-annually* [quarterly], an examination of the affairs of the credit union, including an audit of its books, and shall make, or cause to be made an annual audit and a report to be submitted to the annual meeting of the credit union. The supervisory committee shall cause the passbooks and accounts of the members to be verified with the records of the treasurer from time to time and not less frequently than once every two (2) years.

Section 3. KRS 290.240 is amended to read as follows:

(1) All entrance fees, transfer fees and charges shall, after the payment of the organization expenses, be known as reserve income, and shall be added to the reserve fund of the corporation.

(2) At the *end of each accounting period the gross income shall be determined. From this amount, there shall be set aside, as a regular reserve against losses on loans and against such other losses as may*

be specified in regulations or in rules prescribed under this statute, sums in accordance with the following schedule:

(a) A credit union in operation for more than four (4) years and having assets of five hundred thousand dollars ($500,000) or more shall set aside:

1. Ten percent (10%) of gross income until the regular reserve shall equal four percent (4%) of the total of outstanding loans and risk assets, then

2. Five percent (5%) of gross income until the regular reserve shall equal six percent (6%) of the total of outstanding loans and risk assets.

(b) A credit union in operation less than four (4) years or having assets of less than five hundred thousand dollars ($500,000) shall set aside:

1. Ten percent (10%) of gross income until the regular reserve shall equal seven and one-half percent (7 ½%) of the total of outstanding loans and risk assets, then

2. Five percent (5%) of gross income until the regular reserve shall equal ten percent (10%) of the total of outstanding loans and risk assets.

(c) Whenever the regular reserve falls below the stated percent of the total of outstanding loans and risk assets, it shall be replenished by regular contributions in such amounts as may be needed to maintain the stated reserve goals [close of each fiscal year each credit union shall set apart to the reserve fund, 20 per cent of its net income accumulated during the year, until the reserve fund equals 10 per cent of outstanding loans or shares, whichever is greater. Thereafter, a sufficient portion of the annual net income shall be allocated to the reserve fund to maintain the reserve fund at 10 per cent of outstanding loans or shares, whichever is greater. Upon the recommendation of the board of directors, the members at an annual meeting may increase the proportion of net income to be set apart to the reserve fund].

(3) *The commissioner of the department of banking and securities may decrease the reserve requirements set forth in Section 2 of this Act when in his opinion such a decrease is necessary or desirable. The commissioner may also require special reserves to protect the interests of members either by regulation or for an individual credit union in any special case.*

(4) The reserve fund shall belong to the corporation and shall be held to meet contingencies, and shall not be distributed to the members except upon dissolution of the corporation.

Section 4. KRS 290.250 is amended to read as follows:

(1) At *such intervals and for such periods as the board of directors may authorize, and after provision for the required reserves, the board of directors may declare dividends to be paid on shares and share certificates from the undivided earnings. Dividends may be paid at various rates with due regard to the requirements that apply to each type of account such as minimum balance, notice and time requirements. The amount of dividends declared may not exceed any amount which would result in a deficit undivided earnings account or in any way impair the financial soundness of the credit union* [least annually and after provision for the required reserves, the board of directors may declare a dividend to be paid from the remaining net earnings].

(2) The board of directors may authorize an interest refund to members of record in proportion to interest on loans paid by the member for the period preceding the interest refund date.

Section 5. KRS 290.280 is amended to read as follows:

(1) If any credit union fails to make the report prescribed by KRS 290.090 within fifteen (15) days after it is due, or fails to pay the charges required by this chapter, including the charges for delay in filing reports, the commissioner shall give notice to the credit union of his intention to revoke the certificate of approval of the corporation. If such failure continues for fifteen (15) days after the notice, the commissioner may, in his discretion, revoke the certificate of approval and take possession of the property and business of the credit union until such time as the commissioner permits it to resume business, or until its affairs are liquidated.

(2) *The commissioner may restrict the withdrawal of shares or deposits from any credit union when he finds circumstances make such restriction necessary for the proper protection of shareholders or depositors* [When it appears to the commissioner that any credit union has violated any of the provisions of this chapter, or any rule or regulation adopted pursuant thereto, he may, after an opportunity for hearing has been given such credit union, make an order, over his signature and official seal, directing the credit union to discontinue the illegal practices specified in the order. If any credit union is insolvent, has violated any of the provisions of this chapter or has failed to comply, within a reasonable time, with any order mailed to the last address recorded with the commissioner by the credit union, then the commissioner, or one of his deputies, shall take possession of the business and property of the credit union as soon as practicable, and shall retain such possession until the commissioner permits it to resume business, or until its affairs are liquidated].

(3) The commissioner may order any person to cease violating any provision of the credit union laws of this state or any lawful rule issued thereunder, or to cease engaging in any unsound credit union practice.

(4) The commissioner may suspend or remove a director, officer, committee member or employe of a credit union who becomes ineligible to hold his position or, who after receipt of an order to cease under subsection (3) of this section, violates the credit union laws of this state or a lawful rule or order issued thereunder, or who is dishonest, reckless or grossly incompetent in the conduct of credit union business. Each suspension or removal order shall specify the grounds therefor, and a copy of the order shall be sent to the credit union concerned.

(5) The commissioner shall have the power to subpoena witnesses, compel their attendance, require the production of evidence, administer oaths, and examine any person under oath in connection with any subject relating to a duty imposed upon or a power vested in the commissioner.

(6) When it appears to the commissioner that any credit union is being operated in an unsound fiscal manner, either by the directors or their agents, he may after an opportunity for hearing has been given such credit union, make an order, over his signature, directing the credit union to discontinue the practices specified in the order. If the credit union does not comply to the satisfaction of the commissioner within thirty (30) days after date of said order, then the commissioner, or one of his departmental designees, may take possession of the business and property of the credit union as soon as practicable and retain such possession until the commissioner permits it to resume business or until the commissioner orders it to be liquidated.

Section 6. KRS 290.290 is amended to read as follows:

(1) *In order for a credit union to enter into voluntary dissolution, a majority of the members in writing or two-thirds (⅔) majority of the members present at a regular or special meeting of the members* [At any meeting specifically called to consider dissolution, four-fifths (4/5) of the entire membership of the corporation] may vote to dissolve the corporation and upon such vote shall signify their consent to such dissolution in writing. *Where authorization for dissolution is to be obtained at a meeting of the members, notice in writing shall be given to each member by first-class mail at least ten (10) days prior to such meeting.* Such corporation shall then file with the commissioner such consent, attested by the secretary or treasurer and its president or vice president, with a statement of the names and residences of the existing board of directors and officers, duly verified.

(2) The commissioner, upon receipt of satisfactory proof of the solvency of the corporation, shall issue to such corporation a certificate in triplicate to the effect that such consent and statement have been filed, and that it appears that such corporation has complied with subsection (1) of this section. One (1) certificate shall be filed by the corporation in the office of the clerk of the county in which the corporation has its place of business and another in the office of the secretary of state, and thereupon such corporation shall be dissolved and shall cease to carry on business except for the purpose of adjusting and winding up its affairs.

(3) The corporation, by its board of directors, shall then proceed to adjust and wind up its business and may carry out its accounts receivable, and liquidate its assets and apply the same in discharge of its obligations. After paying such obligations, each share, according to the amount paid thereon, shall be entitled to its proportion of the balance of the assets.

(4) The corporation shall continue in existence for the purpose of discharging its debts or obligations, collecting and distributing its assets, and doing all other acts necessary to wind up its business, and may sue and be sued for the purpose of enforcing such debts and obligations until its affairs are fully adjusted and wound up.

Section 7. KRS 290.295 is amended to read as follows:

Any credit union may, with the approval of the commissioner, merge with any other credit union chartered by this Commonwealth [and located in the capital city of the Commonwealth of Kentucky and operated solely for the benefit of the employes of the Commonwealth of Kentucky]. Such merger shall be approved by the credit union to be merged/absorbed and the continuing credit union pursuant to the provisions set forth in KRS Chapter 271A, *with the exception of the provisions of KRS 271A.365(2). The plan of merger shall be approved upon receiving the affirmative vote of a majority of the members of the credit union present at a meeting of their members duly called for such purpose, and consented to by any government agency or other organization insuring the accounts of the merging credit unions.*

SECTION 8. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) In lieu of the examination provided for in KRS 290.100, the commissioner may accept any examination made by the national credit union administration. One copy of the examination report shall be promptly submitted to the commissioner for processing and analysis by the department of banking and securities.

(2) Whenever, in the judgment of the commissioner, the condition of any credit union organized under the provisions of this chapter renders it necessary or expedient to make an examination or to devote any extraordinary attention to its affairs, the commissioner shall cause such work to be done. A full and complete copy of the report of all examinations shall be furnished to the credit union so examined. Such report of examination shall be presented by the president to the board of directors at its next regular or special meeting.

(3) The commissioner, his examiners or agents, shall have access to all books and papers of a credit union which relate to its business, and books and paper kept by any officer, agent, or employe, relating to or upon which any record of its business is kept, and may summon witnesses and administer oaths or affirmations in the examination of the directors, officers, agents, or employes of any such credit union or any other person in relation to its affairs, transactions, and conditions, and may require and compel the production of records, books, papers, contracts, or other documents by court order, if not voluntarily produced.

The Committee Amendment No. 1 to **HB 802** is as follows:

Amend printed copy of **HB 802** on page 3, lines 17, 18, 19, 20, 21, 22, 23, delete all words after "(4)";

and on page 3, line 24, delete "[";

and on page 4, line 3, delete "]".

The Committee on Natural Resources and Environment reported **HB 597,** with Committee Amendment attached thereto, and **HB 954** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Consent Calendar.

HB 597, AN ACT relating to commercial fishing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 150.175 is amended to read as follows:

The kinds of licenses and tags authorized by this chapter, and the acts authorized to be performed under such licenses and tags, subject to the other provisions of this chapter and subject to regulations adopted under this chapter, are as follows:

(1) Statewide resident sport fishing license which authorizes the holder thereof to take fishes by angling, or take crayfish by a minnow seine, or by hand, to take minnows by the use of a minnow seine, minnow trap or dip net, or to take fishes by grabbing, gigging, snagging, snaring, jugging, and bow and arrow, and to take frogs and turtles from any waters in any county of this state open for such purposes and subject to the limitations hereinafter set forth and such additional limitations as the department may from time to time prescribe; this license does not authorize the holder to sell fish;

(2) A short term sport fishing license which may be issued only to a nonresident and which authorizes the holder thereof to perform all acts authorized by a statewide sport fishing license and subject to same limitations or prescribed regulations. This license does not authorize the holder to sell fish;

(3) A resident commercial fishing license and a nonresident commercial fishing license, which authorizes a holder thereof to perform any act authorized by a sport fishing license and to take rough fishes from the waters of the state by the use of commercial fishing gear as prescribed by regulation. Such license shall also authorize the holder thereof to sell rough fishes, other than those protected by regulation;

(4) An Ohio River sport fishing license, which may be issued only to a citizen of Ohio, Indiana or Illinois, and which authorizes the holder thereof to take fish from the Ohio River only by any method authorized under a statewide sport fishing license. This license does not authorize the holder to sell fish;

(5) An Ohio River commercial fishing license, which may be issued only to a citizen of Ohio, Indiana or Illinois, and which authorizes the holder thereof to exercise in the Ohio River only the same privileges that may be exercised under a commercial fishing license, as defined in subsection (3), provided that the holder of such license has first obtained a tag or tags for each piece of commercial fishing gear in possession including each seine, net, trap, and line;

(6) A commercial fishing gear tag must be attached to each piece of commercial fishing gear including hoop nets, slat traps, wing nets, [and to each 100 feet of linear gear or portion thereof in use including] commercial trotline, seines, gill nets or trammel nets. Commercial gear tags may be issued only to a person holding a resident or nonresident commercial fishing license or an Ohio River commercial fishing license;

(7) Live fish and bait dealer's license, resident and nonresident, which authorizes the holder thereof to sell bait and live fish as may be prescribed by regulation;

(8) Musseling licenses, resident and nonresident, which authorize the holder thereof to take mussels for commercial purposes as may be prescribed by regulation;

(9) A statewide resident hunting license, which authorizes the holder thereof to take or pursue wild animals, wild birds, frogs and turtles with gun, bow and arrow, dog or falcon, or to participate in a fox-hunting party engaged in the hunting or pursuing of foxes with dogs for sport, according to the provisions of the laws and regulations of the department;

(10) A junior statewide hunting license, which may be issued only to a resident of this state, before he has reached his or her sixteenth birthday, but which becomes void on his or her sixteenth birthday, and which authorizes the holder thereof to exercise all the privileges authorized by a statewide hunting license; provided that no junior hunting license shall be issued without the written permission of parent, guardian or person having custody of such person under 16 years of age;

(11) Trapping licenses, resident and nonresident, which authorize the holder thereof to take wild animals by trapping upon his own lands or upon the lands of another person, provided that the holder of such license shall have first obtained a written consent as provided in KRS 150.400 and 150.410;

(12) A taxidermist license, which authorizes the holder thereof to engage in the business of preparing, stuffing and mounting the skins of wildlife;

(13) A commercial guide's license, which authorizes the holder thereof to guide hunting and fishing parties according to the provisions of the laws and regulations of the department;

(14) Fur buyer's licenses, resident and nonresident, which authorize the holder thereof to buy raw furs from licensed trappers and hunters and to sell raw furs so purchased. Applicants for such license shall state the number of premises to be used and shall display at each a copy of same as furnished by the department except that the commissioner may limit the number of copies furnished and may revoke license for violation;

(15) A fur processor's license, which may be issued only to a resident, a partnership, firm or corporation of this state and which authorizes the holder thereof to buy raw furs when in legal possession for processing, manufacture or retention in cold storage or for resale;

(16) Nonresident sport fishing license which authorizes the holder thereof to perform any act authorized by a resident statewide sport fishing license. This license does not authorize the holder to sell fish;

(17) Nonresident annual hunting license which authorizes the holder thereof to perform any act authorized by a resident statewide hunting license;

(18) A special license to nonresidents for the purpose of hunting on licensed hunting preserves. This license is good only for the preserve for which it was issued and shall continue legal only for one (1) year. These licenses shall be issued in ink by the preserve manager, and it becomes his responsibility to see that each hunter is properly licensed before going into the field. When the hunter owns either a nonresident or resident statewide hunting license for the current year, the special license shall not be required. The commissioner, with the approval of the commission, shall have the authority to establish and regulate hunting preserves, either private or commercial;

(19) A big game permit, which, in combination with a valid statewide hunting license or a valid junior statewide hunting license, authorizes the holder thereof to take or pursue deer, bear or wild turkey, in any designated open area of this state, during the open season and according to the provisions of the laws and regulations governing such hunting;

(20) A combination hunting and fishing license, which authorizes only resident holders to perform all acts valid under either a sport fishing or hunting license;

(21) A trout stamp, which may be established by regulation in accordance with KRS 150.225;

(22) A commercial waterfowl permit, which authorizes the holder thereof to establish and operate a commercial waterfowl hunting preserve.

The Committee Amendment No. 1 to **HB 597** is as follows:

Amend printed copy of **HB 597** on page 3, line 3, by striking the "[";

and on page 3, line 4, by striking the "]";

and on page 3, line 5, by inserting brackets around the word "trotline,";

and on page 3, line 3, by inserting the word "*trotline,*" before the word "wing".

HB 954, AN ACT relating to pesticides.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 217B.130 is amended to read as follows:

(1) *The department shall not issue a pesticide applicator license in the category of right-of-way pest control or in any aerial pesticide application category until the applicant has furnished evidence of financial responsibility with the department consisting either of a surety bond or a liability insurance policy, or certification thereof, protecting persons who may suffer legal damages as a result of the applicant. All other categories shall be exempt from the requirement to furnish financial responsibility* [The department shall not issue a pesticide applicator's license until the applicant has furnished evidence of financial responsibility with the department consisting either of a surety bond or a liability insurance policy or certification thereof protecting persons who may suffer legal damages as a result of the operations of the applicant with the exception of applicators using only ground equipment for applying pesticides to agricultural lands, crops, or plants. When a license is issued without evidence of financial responsibility, equipment to be used by the licensee shall be required to display a license plate or decal issued by the department at no cost to the applicant, with an inscription informing persons that the applicator or licensee does not provide protection against losses arising from the application of pesticides under KRS 217B.130. It is the responsibility of the licensee to notify the department in writing if any changes in status are to be made].

(2) The amount of the surety bond or liability insurance as provided for in this section shall be not less than $100,000 for public liability and not less than $25,000 for property damage, including loss or damage arising out of the actual use of any pesticide. Such surety bond or liability insurance shall be maintained at not less than those amounts at all times during the licensed period. The department shall be notified ten (10) days prior to any reduction at the request of the applicant or cancellation of such surety bond or liability insurance by the surety or insurer. The total and aggregate of the surety and insurer for all claims shall be limited to the face of the bond or liability insurance policy. The department may accept a liability insurance policy or surety bond in the proper sum which has a deductible clause in an amount not exceeding $1,000 for all applicators for the total amount of liability insurance or surety bond required herein. If the applicant has not satisfied the requirements of the deductible amount in any prior legal claim, such deductible clause shall not be accepted by the department unless such applicant furnishes the department with a security bond or liability insurance which shall satisfy the amount of the deductible as to all claims that may arise in his application of pesticides.

(3) Should the surety furnished become unsatisfactory, said applicant shall upon notice execute a new bond or insurance and shall he fail to do so, the department shall cancel his license and it shall be unlawful thereafter for such person to engage in said business of applying pesticides until the bond or insurance is brought into compliance with the requirements of subsection (2) of this section and his license is reinstated by the department.

(4) Nothing in this chapter shall be construed to relieve any person from liability for any damage to the person or lands of another caused by the use of pesticides even though such use conforms to the rules and regulations of the department.

Motions, Petitions, and Communications (Cont.)

Representative B. Richardson moved that when the House adjourns, it do so by voice vote. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so until the hours of 2:00 p.m., Thursday, March 20, 1980. Agreed.

Recess

Representative B. Richardson moved that the House recess for ten minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker Pro Tempore resumed the Chair and called the House to order.

Report of Committees

The Committee on Rules reported **HB 17, HB 109, HB 121, HB 298, HB 395, HB 417, HB 476, HB 506, HB 521, HB 588, HB 624, HB 644, HB 645, HB 646, HB 647, HB 668, HB 706, HB 721, HB 723, HB 746, HB 757, HB 786, HB 767, HB 821, HB 827, HB 849, HB 892, HB 959, HB 969, HB 972, HCR 6, HCR 105, HCR 106, HCR 107, HB 968, HB 970, HB 973, SB 58, SB 205, SB 216, SB 18,** and **SB 21** have been posted for passage in Orders of the day, March 21, 1980.

The Committee on Rules reported the following Bills have been recommitted: **HB 889** to the Committee on State Government, **HB 851** to the Committee on Judiciary, **HB 99** to the Committee on Transportation.

Announcements

The following meetings were announced:

Judiciary: Special meeting, Thursday, 10:00 a.m. until 12 noon, Room 211.

Business Organizations and Professions: Cancelled for Thursday.

Agriculture and Small Business: Cancelled for Thursday.

Labor and Industry: Thursday, 12 noon, Room 307.

Natural Resources and Environment: Thursday, 12 noon, Room 246.

Adjournment

Representative B. Richardson moved that the House adjourn until 2:00 p.m., Thursday, March 20, 1980.

The motion to adjourn was adopted.

THURSDAY, MARCH 20, 1980

FORTY-EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Reverend Ken Tucker, Mt. Zion Baptist Church, Elizabethtown, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Wright.

Representative Isler moved that absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 19, 1980, be dispensed with and the same approved. Agreed.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Education: **SB 341.**

Judiciary: **SB 288.**

Natural Resources and Environment: **SB 257.**

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Cities: **SB 151, SB 291, SB 295.**

Health and Welfare: **SB 342.**

Energy: **SB 38.**

Banking and Insurance: **SB 231, SB 239, SB 302.**

Report of Committees

The Committee on Judiciary reported **HB 861, SB 157, SB 166,** and **SB 263** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 861, AN ACT relating to recording of deeds, mortgages and other instruments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 382.110 is amended to read as follows:

(1) All deeds, mortgages and other instruments required by law to be recorded to be effectual against purchasers without notice, or creditors, shall be recorded in the county clerk's office of the county in which the property conveyed, or the greater part thereof, is located.

(2) No county clerk or deputy county clerk shall admit to record any deed of conveyance of any interest in real property equal to or greater than a life estate, unless the deed plainly specifies and refers

to the next immediate source from which the grantor derived title to the property or the interest conveyed therein.

(3) If the source of title is a deed or other recorded writing, the deed offered for record shall refer to the former deed or writing, and give the office, book and page where recorded, and the date thereof. If the property or interest therein is obtained by inheritance or in any other way than by recorded instrument of writing, the deed offered for record shall state clearly and accurately how and from whom the title thereto was obtained by the grantor.

(4) If the title to the property or interest conveyed is obtained from two or more sources, the deed offered for record shall plainly specify and refer to each of the sources in the manner provided in subsections (2) and (3), and shall show which part of the property, or interest therein, was obtained from each of the sources.

(5) *In counties containing cities of the first class, no county clerk or deputy county clerk shall receive and permit to be lodged for record, any deed or mortgage that does not include the district, block and lot number, and street address, if such numbers are applicable to the property.*

(6) No grantor shall lodge for record, and no county clerk or deputy shall receive and permit to be lodged for record, any deed that does not comply with the provisions of this section.

(7)[(6)] No clerk or deputy clerk shall be liable to the fine imposed by subsection (1) of KRS 382.990 because of any erroneous or false references in any such deed, nor because of the omission of a reference required by law where it does not appear on the face of such deed that the title to the property or interest conveyed was obtained from more than one source.

(8)[(7)] This section does not apply to deeds made by any court commissioner, sheriff or by any officer of court in pursuance of his duty as such officer, nor to any deed or instrument made and acknowledged before March 20, 1928. No deed shall be invalid because it is lodged contrary to the provisions of this section.

Section 2. KRS 382.240 is amended to read as follows:

Any instrument required to be recorded in the office of the county clerk and that is duly recorded as legally prescribed shall remain the responsibility of the county clerk for a period of one (1) year. If the document has not been claimed by the owner or his agent, the county clerk may, at his option, destroy this document by shredding or by incineration [Each instrument that is recorded shall be delivered to the party entitled thereto].

SB 157, AN ACT relating to eminent domain.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 416.660 is amended to read as follows:

(1) In all actions for the condemnation of lands under the provisions of KRS 416.550 to 416.670, except temporary easements, there shall be awarded to the landowners as compensation such a sum as will fairly represent the difference between the fair market value of the entire tract, all or a portion of which is sought to be condemned, immediately before the taking and the fair market value of the remainder thereof immediately after the taking, including in the remainder all rights which the landowner may retain in the lands sought to be condemned where less than the fee simple interest therein is taken, together with the fair rental value of any temporary easements sought to be condemned.

(2) Any change in the fair market value prior to the date of condemnation which the condemnor or condemnee establishes was substantially due to the general knowledge of the imminence of condemnation or the construction of the project shall be disregarded in determining fair market value. The taking date for valuation purposes shall be either the date the condemnor takes the land, or the date of the trial of the issue of just compensation, whichever occurs first.

(3) If a trial is held for the fixing of the amount of compensation to be awarded to an owner of or party having an interest in property being taken for a public purpose, the courts shall award the condemnee reasonable attorneys' fees and reasonable expert witness fees in the event of any of the following:

(a) If condemnor fails to make any written offer in settlement to condemnee at least thirty (30) days prior to commencement of said trial; or

(b) If the judgment awarded as a result of litigation exceeds by fifty percent (50%) or more the highest written offer in settlement submitted to the condemnee at least thirty (30) days prior to commencement of said trial; or

(c) If the allowance of costs and reasonable attorneys' fees appears necessary to achieve the just and adequate compensation of the owner.

(4) The attorney general or other attorney representing a condemnor in effecting a settlement of an eminent domain proceeding may allow to the condemnee reasonable attorney fees and reasonable expert witness fees.

(5) Reasonable attorney and expert witness fees, as authorized in this section, shall be commensurate with the time spent and reasonable expenses incurred by said persons throughout the entire proceeding.

SB 166, AN ACT relating to ownership and conveyances of property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 381.260 is amended to read as follows:

(1) Every grant, conveyance, legacy, bequest, devise, gift, appointment, assignment and transfer of property, whenever made and in whatever form, shall be valid *(a)*[(1)] if made to any corporation, association, trust, foundation, or similar organization or entity, created or formed for and devoted solely to charitable, religious, scientific, literary, educational, humane, benevolent or like purposes or, *(b)*[(2)] except as otherwise provided by statute, if it is made for any charitable or humane purpose and if it points out with reasonable certainty the purposes of the charity and the beneficiaries thereof.

(2) A grant, conveyance, legacy, bequest, devise, gift, appointment, assignment and transfer of property, whenever made and in whatever form, is deemed to point out with reasonable certainty the purposes of the charity and beneficiaries thereof if and so long as the same is to or for the use of any corporation, trust, community chest, fund, foundation, or other entity organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual (except as reasonable compensation for services rendered), and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office, even though such corporation, trust, fund, foundation or other entity is authorized to apply the trust income or property to any class or classes of charitable purposes mentioned above and the trustee or other managing individual or body is able and willing to make the selection.

SB 263, AN ACT relating to construction of statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 446.010 is amended to read as follows:

As used in the statute laws of this state, unless the context requires otherwise:

(1) "Action" includes all proceedings in any court of this state;

(2) "Animal" includes every warmblooded living creature except *birds and* [a] human *beings* [being];

(3) "Attorney" means attorney at law;

(4) "Bequeath" and "devise" mean the same thing;

(5) "Bequest" and "legacy" mean the same thing, and embrace either real or personal estate, or both;

(6) "Cattle" includes horse, mule, ass, cow, ox, sheep, hog or goat of any age or sex;

(7) "Company" may extend and be applied to any corporation, company, person, partnership, joint stock company or association;

(8) "Corporation" may extend and be applied to any corporation, company, partnership, joint stock company or association;

(9) "Cruelty" as applied to animals includes every act or omission whereby unjustifiable physical pain, suffering or death is caused or permitted;

(10) "Directors", when applied to corporations, includes managers or trustees;

(11) "Domestic", when applied to corporations, means all those incorporated or formed by authority of this state;

(12) "Domestic animal" means any animal converted to domestic habitat;

(13) "Federal" refers to the United States;

(14) "Foreign", when applied to corporations, includes all those incorporated or formed by authority of any other state;

(15) "Humane society", "society", or "Society for the Prevention of Cruelty to Animals", means any nonprofit corporation, organized under the laws of this state and having as its primary purpose the prevention of cruelty to animals;

(16) "Issue", as applied to the descent of real estate, includes all the lawful lineal descendants of the ancestors;

(17) "Juvenile court" means the juvenile session of district court;

(18) "Land" or "real estate" includes lands, tenements and hereditaments and all rights thereto and interest therein, other than a chattel interest;

(19) "Legatee" and "devisee" convey the same idea;

(20) "May" is permissive;

(21) "Month" means calendar month;

(22) "Oath" includes "affirmation" in all cases in which an affirmation may be substituted for an oath;

(23) "Owner" when applied to any animal, means any person having a property interest in such animal;

(24) "Peace officer" includes sheriffs, constables, coroners, jailers, marshals, policemen and other persons with similar authority to make arrests;

(25) "Penitentiary" includes all of the state penal institutions except the houses of reform;

(26) "Person" may extend and be applied to bodies-politic and corporate, societies, communities, the public generally, individuals, partnerships and joint stock companies;

(27) "Personal estate" includes chattels, real and other estate that passes to the personal representative upon the owner dying intestate;

(28) "Regular election" means the election in even numbered years at which members of Congress are elected and the election in odd numbered years at which state officers are elected;

(29) "Shall" is mandatory;

(30) "State" when applied to a part of the United States, includes territories, outlying possessions and the District of Columbia; "any other state" includes any state, territory, outlying possession, the District of Columbia, and any foreign government or country;

(31) "Sworn" includes "affirmed" in all cases in which an affirmation may be substituted for an oath;

(32) "United States" includes territories, outlying possessions and the District of Columbia;

(33) "Vacancy in office", or any equivalent phrase, means such as exists when there is an unexpired part of a term of office without a lawful incumbent therein, or when the person elected or appointed to an office fails to qualify according to law, or when there has been no election to fill the office at the time appointed by law; it applies whether the vacancy is occasioned by death, resignation, removal from the state, county or district, or otherwise;

(34) "Violate" includes failure to comply with;

(35) "Will" includes codicils; "last will" means last will and testament;

(36) "Year" means calendar year; and

(37) "City" includes town.

Consent Calendar

HB 597 and **HB 954** taken from the Consent Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Calendar

HB 747, HB 817, SB 44, HB 787, HB 855, HB 952, HB 898, HB 715, HB 672, HB 856, HB 842, HB 675, HB 835, SB 163, SB 201, HB 692, HB 699, HB 700, HB 733, HB 763, HB 833, HB 834, SB 10, SB 32, SB 247, SB 280, HB 707, HB 652, and **HB 802** taken from the Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Recess

Representative B. Richardson moved that the House recess for ten minutes for a meeting of the Committee on Rules.

On the roll call the vote was yeas 41-Arnold, Barrows, Bendl, Blair, Blandford, Boswell, Brinkley, Bronger, Burch, Cawood, Cyrus, Dawahare, DeMarcus, Donnermeyer, Farrow, Foster, Freibert, Fryman, Hancock, Head, Isler, Kenton, Kidd, Little, Mann, May, Moberly, Pearman, Petty, Rapier, Reynolds, Richards, B. Richardson, Schmidt, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Yates. Nays 9-Caldwell, Davenport, Guenthner, Holbrook, Layman, Lewis, Maynard, Plummer, Rattliff.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

HB 719 taken Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Deskins moved that **HB 719** be passed.

On the roll call the vote was yeas 74-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Brown, Bruce, Burch, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Maynard, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington. Nays 5-Allen, Blythe, Heleringer, Patrick, Turner.

HB 719 was passed and the title agreed to.

Representative Deskins moved that the vote by which **HB 719** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 566, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Cawood moved that the House concur in the following Senate Amendment to **HB 566:**

Amend printed copy of **HB 566** as follows:

on page 4, line 10, by inserting before the word "*activities*", the word "*such*"; and

on page 6, line 24, by placing brackets "[ ]" around the word "strip" and by inserting after the word "by" the words "*surface coal*"; and

on page 9, line 24, by placing brackets "[ ]" around the word "its"; and

on page 11, line 12, by deleting the bracket "]" at the end of the word "procedure" and by inserting a bracket "]" after the phrase "of Section 502"; and

on page 20, line 10, by inserting after the word "shows" the word "*that*"; and

on page 41, line 2, by deleting the bracket "]" after the word "shall" and by inserting a bracket "]" after the word "permit"; and

on page 44, line 1, by deleting the words "*any of*"; and

on page 68, line 17, by placing brackets "[ ]" around the words "of environmental protection"; and

on page 68, lines 22-23, by placing brackets "[ ]" around the words "of environmental protection"; and

on page 88, line 17, by inserting before the word "section" the word "*chapter*" and by placing brackets "[ ]" around the word "section"; and on page 97, line 12, by deleting the word "Act" and by inserting in lieu thereof the word "section".

Agreed.

Representative Cawood moved that **HB 566,** as amended by the Senate, be passed.

On the roll call the vote was yeas 72-Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Hancock, Head, Heleringer, Hines, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Richards, B. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 11-Allen, Clapp, Dawahare, Fryman, Holbrook, Patrick, Pearman, Rattliff, Reynolds, Robinson, Turner.

HB 566, as amended by the Senate, was passed and the title agreed to.

Representative Cawood moved that the vote by which **HB 566,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 920, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative O'Brien moved the adoption of the Committee Amendment No. 1 to **HB 920.** Agreed.

Representative Morris moved the adoption of the Floor Amendment No. 1 to **HB 920.** Rejected.

Representative O'Brien moved that **HB 920,** as amended, be passed.

On the roll call the vote was yeas 83-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Mann, May, Maynard, McBee, McNutt, Moberly, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Yates. Nays 1-Morris.

HB 920, as amended, was passed and the title agreed to.

Representative O'Brien moved that the vote by which **HB 920,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 752, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stumbo moved that **HB 752** be passed.

Representative Deskins moved the adoption of Floor Amendment No. 1 to **HB 752.**

Representative Head moved that **HB 752** be laid on the Clerk's desk.

On the roll call the vote was yeas 65-Arnold, Barrows, Blair, Blandford, Boswell, Bronger, Burnette, Cawood, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Hancock, Head, Heleringer, Hines, Holloway, Isler, Jones, Kenton, Kidd, Lewis, List, Little, Lundergan, May, Maynard, McBee, McKinney, Moberly, Morris, Noe, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Romines, Sale, Smith, Stumbo, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 0.

The motion that **HB 752** be laid on the Clerk's desk was adopted.

HB 863, with Committee Amendments and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative O'Brien moved the adoption of the Committee Amendment No. 1 to **HB 863.**

On the roll call the vote was yeas 62-Adams, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Burnette, Caldwell, Clarke, Craddock, Crupper, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Holbrook, Isler, Jones, Kenton, Kidd, Layman, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, Moberly, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Richards, B. Richardson, Riner, Sale, Smith, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Williams, Worthington, Yates. Nays 1-Bendl.

Committee Amendment No. 1 to **HB 863** was adopted.

Representative O'Brien moved the adoption of the Committee Amendment No. 2 to **HB 863.**

On the roll call the vote was yeas 18-Barrows, Bennett, Bruce, Caldwell, Davenport, DeMarcus, Deskins, Dunn, Ellington, Gray, Little, Moberly, Noe, Richards, Stumbo, Van Horn, Weinberg, White. Nays 49-Allen, Bendl, Blandford, Blythe, Boswell, Bronger, Burch, Cawood, Clark, Craddock, Crupper, Curd, Donnermeyer, Farrow, Foster, Freibert, Fryman, Haering, Head, Heleringer, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, Mann, Maynard, McBee, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Riner, Romines, Sale, Smith, Thomas, Tobin, Turner, Worthington, Yates.

Committee Amendment No. 2 to **HB 863** was rejected.

Representative O'Brien moved that **HB 863,** as amended, be passed.

Representative Romines moved the adoption of the Floor Amendment No. 1 of **HB 863.**

Representative Romines moved that Floor Amendment No. 1 to **HB 863** be withdrawn. Agreed.

Representative Blandford moved that **HB 863,** as amended, be laid on the table.

On the roll call the vote was yeas 39-Bennett, Blair, Blandford, Boswell, Brinkley, Burnette, Caldwell, Clapp, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Ellington, Farrow, Foster, Gray, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Layman, Lewis, Mann, McBee, Moberly, Petty, Rapier, B. Richardson, Riner, Robinson, Stone, Thomas, White. Nays 38-Allen, Barrows, Bendl, Blythe, Bronger, Bruce, Cawood, Clarke, Dunn, Freibert, Fryman, Haering, Hancock, Heleringer, Kenton, Kidd, List, Lundergan, Maynard, Morris, Noe, O'Brien, Overstreet, Patrick, Priddy, Rattliff, Romines, Sale, Smith, Stumbo, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates.

The motion that **HB 863,** as amended, be laid on the table was adopted.

HB 427, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Pearman moved the adoption of the Committee Substitute to **HB 427.** Agreed.

Representative Pearman moved that **HB 427,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 61-Arnold, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Hancock, Head, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Lundergan, Mann, Maynard, McBee, Morris, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, Robinson, Romines, Sale, Schmidt, Stone, Stumbo, Thomason, Turner, White. Nays 17-Barrows, Clark, Freibert, Haering, Heleringer, Johnson, List, McKinney, Moberly, Noe, Riner, Thomas, Robin, Van Horn, Wilborn, Worthington, Weinberg.

HB 427, by way of Committee Substitute, was passed and the title agreed to.

Representative Pearman moved that the vote by which **HB 427,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that **HB 695** be recommitted to the Committee on Banking and Insurance.

On the roll call the vote was yeas 71-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Head, Heleringer, Hines, Isler, Johnson, Kenton, Kidd, Layman, Lewis, List, Lundergan, Mann, May, Maynard, McBee, Moberly, Morris, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, Riner, Robinson, Romines, Sale, Stumbo, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Worthington, Yates. Nays 4-Hancock, LeMaster, Schmidt, Smith.

The motion that **HB 695** be recommitted to the Committee on Banking and Insurance was adopted.

HB 457, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Williams moved the adoption of the Committee Title Amendment No. 1 to **HB 457.** Agreed.

Representative Williams moved that **HB 457,** as amended, be passed.

On the roll call the vote was yeas 75-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, List, Little, Mann, May, McBee, McKinney, Moberly, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington. Nays 6-Allen, Burnette, DeFalaise, Fryman, Patrick, Robinson.

HB 457, as amended, was passed and the title agreed to.

Representative Williams moved that the vote by which **HB 457,** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 583 taken from Orders of the Day and ordered read at length for the third time. Representative May moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Little moved that **HB 583** be passed.

On the roll call the vote was yeas 74-Adams, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, Little, May, McBee, McKinney, McNutt, Moberly, Morris, Noe, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, Weinbert, White, Worthington, Yates. Nays 0.

HB 583 was passed and the title agreed to.

Representative Little moved that the vote by which **HB 583** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 815 taken from Orders of the Day and ordered read at length for the third time. Representative May moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Smith moved that **HB 815** be passed.

On the roll call the vote was yeas 79-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, Moberly, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Yates. Nays 0.

HB 815 was passed and the title agreed to.

Representative Smith moved that the vote by which **HB 815** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 901, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved the adoption of the Committee Amendment No. 1 to **HB 901.** Agreed.

Representative Arnold moved that **HB 901,** as amended, be passed.

On the roll call the vote was yeas 82-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Plummer, Priddy, Rapier, Rattliff, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 2-Tobin, Worthington.

HB 901, as amended, was passed and the title agreed to.

Representative Arnold moved that the vote by which **HB 901,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 875 taken from Orders of the Day and ordered read at length for the third time. Representative May moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hines moved that **HB 875** be passed.

On the roll call the vote was yeas 79-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, Moberly, Morris, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Riner, Romines, Sale, Schmidt, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Williams, Yates. Nays 0.

HB 875 was passed and the title agreed to.

Representative Hines moved that the vote by which **HB 875** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 881, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative May moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomas moved the adoption of Committee Amendment No. 1 to **HB 881.** Agreed.

Representative Thomas moved that **HB 881,** as amended, be passed.

On the roll call the vote was yeas 78-Allen, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Lundergan, Mann, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummber, Priddy, Rapier, Rattliff, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams. Nays 2-Moberly, Tobin.

HB 881, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 881,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 574, with Committee Amendments and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Amendment No. 1 to **HB 574.** Agreed.

Representative B. Richardson moved the adoption of the Committee Amendment No. 2 to **HB 574.** Agreed.

Representative B. Richardson moved that **HB 574,** as amended, be passed.

Representative Priddy moved the adoption of the Floor Amendment No. 3 to **HB 574.** Agreed.

Representative B. Richardson moved that **HB 574,** as amended, be passed.

On the roll call the vote was yeas 79-Allen, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Lundergan, May, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 0.

HB 574, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 574,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 732, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 732** be passed.

Representative Blythe moved the adoption of the Floor Amendment No. 1 to **HB 732.**

Representative Clarke requested a ruling of the Chair as to whether Floor Amendment No. 1 was germane.

The Chair ruled Floor Amendment No. 1 not germane to **HB 732.**

On the roll call the vote was yeas 66-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Crupper, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Layman, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Morris, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, Wilborn, Williams. Nays 4-Curd, Freibert, Gray, Tobin.

HB 732 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 732** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 791 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 791** be passed.

On the roll call the vote was yeas 81-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Cyrus, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, May, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Reynolds, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams. Nays 0.

HB 791 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 791** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Recess

Representative B. Richardson moved that the House recess for thirty minutes for Committee meetings.

On the roll call the vote was yeas 46-Adams, Arnold, Barrows, Bendl, Blandford, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clapp, Clark, Craddock, Curd, Cyrus, DeMarcus, Donnermeyer, Farrow, Freibert, Gray, Hancock, Head, Hines, Isler, Kenton, LeMaster, List, Lundergan, Mann, McBee, Moberly, Morris, O'Brien, Pearman, Petty, Priddy, Reynolds, Richards, B. Richardson, Sale, Stumbo, Thomason, Van Horn, Weinberg, Wilborn. Nays 19-Allen, Clarke, Davenport, Dunn, Guenthner, Heleringer, Holbrook, Holloway, Johnson, Jones, Layman, Lewis, Noe, Overstreet, Plummer Riner, Robinson, Smith, Turner.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

Representative B. Richardson moved that consideration of **HB 877** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 913 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 913** be passed.

On the roll call the vote was yeas 69-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clapp, Clark, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Hancock, Head, Holbrook, Holloway, Isler, Jones, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, Romines, Sale, Schmidt, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Yates. Nays 2-Heleringer, Rattliff.

HB 913 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 913** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 88 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HCR 88** be passed.

On the roll call the vote was yeas 77-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Haering, Hancock, Head, Heleringer, Hines, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Mann, May, Maynard, McNutt, Moberly, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Yates. Nays 0.

HCR 88 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HCR 88** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 818, with Floor Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed by a majority of members elected.

Representative Adams moved that **HB 818** be passed.

Representative Barrows moved the adoption of the Floor Amendment No. 1 to **HB 818.** Rejected.

On the roll call the vote was yeas 50-Adams, Arnold, Bendl, Blair, Blythe, Brinkley,Bronger, Bruce, Burch, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Ellington, Foster, Freibert, Guenthner, Head, Holbrook, Holloway, Jones, Kenton, LeMaster, List, Lundergan, Mann, May, Maynard, McBee, McKinney, Morris, Patrick, Pearman, Petty, Priddy, Rattliff, Richards, B. Richardson, Romines, Sale, Schmidt, Stone, Thomason, Weinberg, Wilborn. Nays 32-Allen, Barrows, Blandford, Burnette, Clarke, Cyrus, Davenport, DeMarcus, Deskins, Dunn, Fryman, Haering, Hancock, Heleringer, Isler, Johnson, Kidd, Layman, Little, McNutt, Moberly, Noe, O'Brien, Overstreet, Plummer, Reynolds, Riner, Stumbo, Tobin, Van Horn, Williams, Yates.

HB 818 was passed and the title agreed to.

Representative Adams moved that the vote by which **HB 818** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 738, as amended by Committee Amendments No. 1 and 2 and Floor Amendment No. 2, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed by a majority of members elected.

Representative Burch moved that **HB 738,** as amended, be passed.

On the roll call the vote was yeas 63-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Curd, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Guenthner, Hancock, Head, Heleringer, Hines, Isler, Johnson, Kenton, Kidd, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, Moberly, Morris, Noe, Patrick, Pearman, Petty, Rapier, Richards, B. Richardson, Robinson, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, White, Williams, Yates. Nays 29-Allen, Barrows, Burnette, Clapp, Clarke, Crupper, Cyrus, DeMarcus, Deskins, Freibert, Fryman, Haering, Holbrook, Holloway, Jones, Layman, LeMaster, List, McKinney, McNutt, O'Brien, Overstreet, Plummer, Rattliff, Reynolds, Stumbo, Tobin, Wilborn, Worthington.

HB 738, as amended, was passed and the title agreed to.

Representative Burch moved that the vote by which **HB 738,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 659, as previously amended by way of Committee Substitute, and with Floor Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed by a majority of members elected.

Representative Overstreet requested a ruling of the Chair as to the constitutionality of this bill in accordance with Rule 51 of the House.

The Chair ruled the bill was in order.

Representatives Overstreet and DeFalaise appealed the ruling of the Chair.

Speaker Pro Tempore Hancock presiding.

On the roll call the vote was yeas 53-Adams, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Brown, Bruce, Burch, Caldwell, Cawood, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Donnermeyer, Dunn, Ellington, Foster, Hancock, Head, Hines, Isler, Kenton, Kidd, LeMaster, List, Little, Mann, May, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, Sale, Smith, Stone, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Williams. Nays 18-Allen, Dawahare, DeFalaise, DeMarcus, Deskins, Freibert, Fryman, Guenthner, Haering, Holbrook, Overstreet, Plummer, Rattliff, Reynolds, Riner, Schmidt, Stumbo, Turner.

The ruling of the Chair was upheld.

Speaker Kenton presiding.

Representative Williams moved that **HB 659,** by way of Committee Substitute, be passed.

Representative Overstreet moved that **HB 659** be laid on the table.

On the roll call the vote was yeas 28-Allen,Blythe, Brinkley, Burnette, Caldwell, Craddock, Davenport, DeFalaise, DeMarcus, Deskins, Farrow, Foster, Freibert, Fryman, Guenthner, Heleringer, Holbrook, Jones, Lewis, Overstreet, Plummer, Rattliff, Reynolds, Robinson, Schmidt, Thomas, Thomason, Turner. Nays 49-Adams, Barrows, Bendl, Bennett, Blandford, Boswell, Bronger, Burch, Cawood, Clark, Clarke, Curd, Dawahare, Donnermeyer, Dunn, Gray, Haering, Hancock, Hines, Isler, Kenton, Kidd, LeMaster, List, Little, Mann, Maynard, McNutt, Moberly, Morris, Noe, O'Brien, Pearman, Priddy, Rapier, Richards, B. Richardson, Romines, Sale, Smith, Stone, Stumbo, Tobin, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates.

The motion that **HB 659** be laid on the table was rejected.

On the roll call the vote was yeas 57-Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Cawood, Clapp, Clark, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Gray, Haering, Heleringer, Hines, Isler, Johnson, Kenton, Kidd, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, Moberly, Morris, Noe, Pearman, Petty, Priddy, Rapier, B. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomas, Tobin, Van Horn, Weinberg, Wilborn, Williams, Yates. Nays 36-Adams, Allen, Arnold, Blair, Burnette, Caldwell, Clarke, Craddock, Crupper, Davenport, DeFalaise, DeMarcus, Ellington, Foster, Freibert, Fryman, Guenthner, Hancock, Head, Holbrook, Jones, Layman, LeMaster, Lewis, McNutt, O'Brien, Overstreet, Plummer, Rattliff, Reynolds, Richards, Robinson, Schmidt, Thomason, White, Worthington.

HB 659, by way of Committee Substitute, was passed and the title agreed to.

Representative Williams moved that the vote by which **HB 659,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 864, as previously amended by Committee Amendments No. 1 and 2 and Floor Amendment No. 1, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed by a majority of members elected.

Speaker Pro Tempore presiding.

Representative O'Brien moved that **HB 864,** as amended, be passed.

On the roll call the vote was yeas 74-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Burnette, Caldwell, Clapp, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Lewis, List, Lundergan, Mann, May, Maynard, McBee, McNutt, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, B. Richardson, Riner, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Weinberg, White, Williams. Nays 13-Adams, Blair, Brown, Cawood, Clarke, Cyrus, Deskins, LeMaster, Little, Moberly, Thomas, Van Horn, Wilborn.

HB 864, as amended, was passed and the title agreed to.

Representative O'Brien moved that the vote by which **HB 864,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 41, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McNutt moved the adoption of the Floor Amendment No. 1 to **SB 41.**

Speaker Kenton presiding.

On the roll call the vote was yeas 62-Barrows, Bendl, Blythe, Brinkley, Brown, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, List, Lundergan, Mann, McBee, McNutt, Moberly, O'Brien, Overstreet, Petty, Plummer, Rapier, Richards, B. Richardson, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Weinberg, White, Wilborn, Williams, Yates. Nays 20-Adams, Allen, Arnold, Blair, Blandford, Boswell, Bronger, Bruce, Clapp, Cyrus, Gray, Lewis, Little, Morris, Noe, Pearman, Priddy, Riner, Romines, Van Horn.

Floor Amendment No. 1 to **SB 41** was adopted.

Representative List moved that **SB 41,** as amended, be passed.

Representative Van Horn moved the adoption of the Floor Amendment No. 4 to **SB 41.**

Representative Van Horn moved that Floor Amendment No. 4 to **SB 41** be laid on the Clerk's desk.

On the roll call the vote was yeas 33-Allen, Bendl, Bennett, Bruce, Clark, Crupper, Cyrus, Dawahare, Donnermeyer, Dunn, Farrow, Gray, Isler, Kenton, Layman, LeMaster, Little, Mann, McBee, Overstreet, Pearman, Petty, Plummer, Priddy, Rattliff, Riner, Romines, Stumbo, thomas, Turner, Van Horn, White, Williams. Nays 43-Adams, Barrows, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clapp, Clarke, Craddock, Curd, Davenport, DeFalaise, DeMarcus, Deskins, Ellington, Foster, Haering, Hancock, Head, Hines, Holbrook, Jones, Kidd, List, McNutt, Moberly, Morris, Noe, Rapier, Richards, B. Richardson, Sale, Schmidt, Smith, Stone, Thomason, Tobin, Weinberg, Wilborn.

The motion that Floor Amendment No. 4 to **SB 41** be laid on the Clerk's desk was rejected.

Representative Adams requested a ruling of the Chair as to whether Floor Amendment No. 4 to **SB 41** was in correct form.

The Chair ruled Floor Amendment No. 4 to **SB 41** was technically correct.

Representatives Adams and List appealed the ruling of the Chair.

Speaker Pro Tempore Hancock presiding.

On the roll call the vote was yeas 57-Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Caldwell, Cawood, Clark, Craddock, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Fryman, Gray, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Little, Lundergan, Mann, May, McBee, McKinney, Moberly, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Richards, B. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams. Nays 6-Adams, Barrows, Clarke, Holbrook, List, Morris.

The ruling of the Chair was upheld.

Speaker Kenton presiding.

On the roll call the vote was yeas 36-Bendl, Bennett, Boswell, Brinkley, Bronger, Bruce, Caldwell, Clark, Cyrus, Dawahare, Donnermeyer, Dunn, Gray, Isler, Johnson, Kenton, LeMaster, Little, Lundergan, Mann, May, McBee, McKinney, Morris, O'Brien, Pearman, Petty, Priddy, Riner, Romines, Stone, Thomas, Van Horn, White, Williams, Yates. Nays 45-Adams, Arnold, Barrows, Blair, Blythe, Cawood, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Deskins, Ellington, Farrow, Foster, Fryman, Guenthner, Haering, Hancock, Hines, Holbrook, Holloway, Kidd, Layman, Lewis, List, McNutt, Moberly, Noe, Plummer, Rapier, Rattliff, Richards, B. Richardson, Sale, Schmidt, Smith, Stumbo, Thomason, Tobin, Turner, Weinberg, Wilborn.

Floor Amendment No. 4 to **SB 41** was rejected.

Representative List moved that **SB 41,** as amended, be passed.

Representative Van Horn moved the adoption of the Floor Amendment No. 5 to **SB 41.**

On the roll call the vote was yeas 42-Adams, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Clark, Cyrus, Dawahare, Donnermeyer, Dunn, Fryman, Gray, Head, Holloway, Isler, Johnson, Kenton, Kidd, Little, Lundergan, Mann, McBee, McKinney, Morris, O'Brien, Pearman, Petty, Priddy, Riner, Romines, Smith, Stone, Stumbo, Thomas, Van Horn, White, Yates. Nays 38-Arnold, Barrows, Blair, Blythe, Cawood, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Deskins, Ellington, Farrow, Foster, Haering, Hancock, Heleringer, Hines, Holbrook, Layman, List, McNutt, Moberly, Noe, Plummer, Rapier, Rattliff, Richards, B. Richardson, Sale, Schmidt, Thomason, Tobin, Turner, Weinberg, Wilborn.

Floor Amendment No. 5 to **SB 41** was adopted.

Representative List moved that **SB 41,** as amended, be passed.

Representative Hancock moved the adoption of the Floor Amendment No. 7 to **SB 41.**

On the roll call the vote was yeas 24-Arnold, Bendl, Bennett, Blythe, Brinkley, Bruce, Clark, Crupper, Cyrus, Dawahare, Dunn, Hancock, Kenton, LeMaster, Little, Mann, May, Morris, B. Richardson, Riner, Van Horn, White, Williams, Yates. Nays 45-Adams, Barrows, Blair, Bronger, Caldwell, Cawood, Clarke, Craddock, Curd, DeFalaise, DeMarcus, Deskins, Donnermeyer, Ellington, Farrow, Foster, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Isler, Kidd, Lewis, List, Lundergan McBee, McNutt, Moberly, Noe, O'Brien, Petty, Plummer, Rapier, Richards, Schmidt, Stumbo, Thomas, Thomason, Tobin, Turner, Weinberg, Wilborn.

Floor Amendment No. 7 to **SB 41** was rejected.

Representative Van Horn moved the adoption of the Floor Amendment No. 3 to **SB 41.**

Representative DeFalaise requested a ruling of the Chair as to whether Floor Amendment No. 3 to **SB 41** was out of order.

The Chair ruled Floor Amendment No. 3 to **SB 41** was not in order.

Representative List moved that **SB 41,** as amended, be passed.

On the roll call the vote was yeas 66-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Dawahare, DeFalaise, Donnermeyer, Ellington, Farrow, Foster, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, Kenton, Layman, LeMaster, List, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Pearman, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, White, Wilborn, Williams, Yates. Nays 11-Bennett, Bruce, Clapp, Dunn, Fryman, Gray, Isler, Priddy, Riner, Romines, Van Horn.

SB 41, as amended, was passed and the title agreed to.

Representative List moved that the vote by which **SB 41,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **SB 364.**

Orders of the Day (continued)

Representative B. Richardson moved that consideration of all Bills and Resolutions remaining in Orders of the Day be deferred and that they retain their position. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 87, HB 316, HB 318, HB 324, HB 360, HB 436, HB 547, HB 600, HCR 37,** and **HCR 57** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Speaker Pro Tempore Hancock presiding.

Motions, Petitions, and Communications

The following meetings were announced:

Natural Resources and Environment: Special meeting, Friday, thirty minutes before convening, Room 9.

Health and Welfare: Friday, 8:00 a.m., Room 307.

Appropriations and Revenue: Tonight, 7:45 p.m., Room A.

Energy: Friday, 9:00 a.m., Room 216.

Transportation: Special meeting, Friday, 8:00 a.m., Room 211.

Cities: Special meeting, Friday, on adjournment, Room 307.

Representative LeMaster moved the adoption of the following Legislative Citation No. 65:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Bourbon County Colonels Basketball Team and your excellent coach, Mr. Russ Day, for your outstanding achievement of winning the Boys' Tenth Region Basketball Championship. As Regional Champions for the first time since 1964, your fine record of 20-10 reflects your hard work and school loyalty. This body salutes you and we extend our very best wishes for continued success in the Boys' "Sweet Sixteen" Tournament at Louisville, Kentucky, March 26-29, 1980. (Sponsored by Representative LeMaster)

Agreed.

Representative LeMaster moved the adoption of the following Legislative Citation No. 66:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Paris High School Ladyhounds Basketball Team and your coach, Ms. Judy Cox, for winning the Girls' Tenth Regional Basketball Tournament and qualifying you to play in the Girls' State Tournament at Eastern Kentucky University at Richmond, Kentucky. Your excellent record of 31-3 reflects hard work and superior performance. This prestigious body salutes you and extends our very best wishes for success at Richmond, March 19-22, 1980. (Sponsored by Representative LeMaster)

Agreed.

Representative Van Horn moved that he be recorded as voting "yea" on **HB 887.** Agreed.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 2 to **SB 118,** by Representative Clarke:

Amend printed copy of **SB 118,** page 1, line 16, by deleting line 16 in its entirety and inserting in lieu thereof the following: "*Class A misdemeanor and prosecution of which must be commenced within four (4) years after the offense is committed.*"

and by deleting lines 17 thru 21 on page 1, and by deleting lines 1 thru 11 on page 2.

Floor Amendment No. 1 to the Committee Substitute to **HB 973,** by Representative LeMaster:

Amend printed copy of Committee Substitute for **HB 973,** page 23, by inserting after line 4, the following:

"Section 15. KRS 139.495 is amended to read as follows:

(1) The taxes imposed by this chapter shall apply to resident, nonprofit educational, charitable, and religious institutions which have qualified for exemption from income taxation under section 501(c)(3) of the internal revenue code as follows:

(a) Tax does not apply to sales of tangible personal property or services to such institutions provided the property or service is to be used solely within the educational, charitable, or religious function.

(b) Tax does not apply to sales of food to students in school cafeterias or lunchrooms.

(c) Tax does not apply to sales by school bookstores of textbooks, workbooks, and other course materials.

(d) *Tax does not apply to sales by nonprofit, school sponsored clubs and organizations, provided such sales do not include tickets for athletic events.*

(e) All other sales made by nonprofit educational, charitable, and religious institutions are taxable and the tax may be passed on to the customer as provided in KRS 139.210."

and on line 5, by changing "Section 15." to "Section 16.";

and on line 16, by changing "Section 16." to "Section 17.".

Floor Amendment No. 2 to the Committee Substitute to **HB 968,** by Representative LeMaster:

Amend printed copy of Committee Substitute to **HB 968,** page 18, by inserting after line 2, the following:

"Section 18. KRS 139.495 is amended to read as follows:

(1) The taxes imposed by this chapter shall apply to resident, nonprofit educational, charitable, and religious institutions which have qualified for exemption from income taxation under section 501(c)(3) of the internal revenue code as follows:

(a) Tax does not apply to sales of tangible personal property or services to such institutions provided the property or service is to be used solely within the educational, charitable, or religious function.

(b) Tax does not apply to sales of food to students in school cafeterias or lunchrooms.

(c) Tax does not apply to sales by school bookstores of textbooks, workbooks, and other course materials.

(d) *Tax does not apply to sales by nonprofit, school sponsored clubs and organizations, provided such sales do not include tickets for athletic events.*

(e) All other sales made by nonprofit educational, charitable, and religious institutions are taxable and the tax may be passed on to the customer as provided in KRS 139.210."

and on line 3, by changing "Section 18." to "Section 19.".

Floor Amendment No. 1 to **SB 153,** by Representative Bronger:

Amend printed copy of **SB 153,** page 5, by adding after line 11, the following:

"Section 2. KRS 198B.060 is amended to read as follows:

(1) Each local government in the state of Kentucky shall employ a building official or inspector and other code enforcement personnel as necessary, or shall contract for such services in accordance with subsections (7) and (9) of this section to enforce the uniform state building code within the boundaries of its jurisdiction, and shall neither adopt nor enforce any other ordinance regulating buildings which conflicts with the uniform state building code, *except that a city of the first class may adopt an electrical code more stringent, but not less stringent than the national electrical code, and* except that a building code adopted by a local government prior to March 28, 1978 may continue in effect until such time as the uniform state building code becomes mandatory within that local government jurisdiction.

(2) Local governments shall be responsible for the examination and approval or disapproval of plans and specifications for buildings of no more than three (3) stories in height, exclusive of attic and basement, which do not contain more than 20,000 square feet of floor area, and are not intended for assembly, educational, institutional or high hazard occupancy, business or industrial occupancy in excess of 100 persons, or for use as a frozen food locker plant as defined in KRS 221.010. Local governments shall be responsible for the issuance and revocation of building permits, licenses, certificates and similar documents which cover activities within their area of responsibility, and the inspection of all buildings pursuant to the provisions of this chapter and the uniform state building code. Each local government issuing a building or demolition permit or an initial certificate of occupancy on a new structure shall send a copy of such permit or certificate to the commissioner for his use in maintaining an accurate housing inventory for Kentucky.

(3) Urban-county governments may determine service districts within their boundaries within which farm dwellings and other farm buildings, not used in the business of retail trade or as a place of regular employment for ten (10) or more people, shall be exempt from the requirements of the uniform state building code. Such determination may be reviewed and altered by the board.

(4) The department shall be responsible for the examination and approval or disapproval of plans and specifications for all buildings which are not the responsibility of local governments. The department may issue and revoke permits, licenses, certificates and similar documents within its area of responsibility, and shall have concurrent jurisdiction with local governments for the inspection of all buildings pursuant to the provisions of this chapter and the uniform state building code. If the commissioner determines that the local jurisdiction is not adequately performing any portion of its program, he may recommend to the board that the department preempt that portion of a local program. The commissioner shall explain his reasons for preemption in writing and provide a copy to the board and the local jurisdiction. The local jurisdiction may appeal the recommended preemption directly to the board, and the board shall review such appeal according to the procedures found in subsections (8) through (12) of KRS 198B.070. No preemption by the department shall take place until the final decision of the board. If the department preempts any portion of a local program, it shall collect the fees applicable to that portion of the program.

(5) Any local government may petition the commissioner requesting that additional plan review functions be allocated to that local government. Such petition shall include evidence of the local government's capability to perform additional plan review functions. The commissioner, after review of the petition and supporting evidence, may grant or deny to the local government any part of a request for additional responsibility. If the commissioner denies any part of a petition, he shall explain his reasons for denial in writing, and provide a copy to the board and the local government. A local government may appeal such denial directly to the board, and the board shall review such appeal according to the procedures found in subsections (8) through (12) of KRS 198B.070. Should the local government be granted additional responsibility by the

commissioner or the board, the department shall hold concurrent jurisdiction over such additional responsibility, but the local government shall collect any fees for functions it performs pursuant to such additional responsibility.

(6) The commissioner shall expedite the review of plans and specifications by assigning responsibilities and coordinating review activities among the department's various functional offices so as to prevent unnecessary duplication in the review of plans and specifications.

(7) Upon the effective date of the uniform state building code, no building shall be constructed in this state until a local building official and an official representing the department, if the department has jurisdiction, issue a permit for such construction. The local building official or the representative of the department shall issue a permit if the proposed building satisfies the requirements of the uniform state building code and if the party desiring to construct the building has complied with all other legal requirements concerning the location and construction of said building. The applicant for a building permit, by the act of applying for the permit, is deemed to have consented to inspection, by the local government or the department, of such building during construction and upon the completion of construction for the purpose of determining that such building is constructed in compliance with the uniform state building code. This section shall apply to industrialized building systems but destructive disassembly of industrialized building systems which carry a seal of approval pursuant to a manufactured building law in the state in which they were manufactured, which seal of approval is accepted by the board of housing, buildings and construction, shall not be performed in order to conduct such tests or inspections.

(8) No building on which construction was begun nor any industrialized building system on which site preparation and assembly were begun after the uniform state building code became effective shall be occupied until the local building official or a representative of the department issues a certificate of occupancy certifying that the building was constructed in conformance with the standards of the uniform state building code, or assembled or installed in conformance with applicable instructions.

(9) A local government may associate with other local governments, and may seek the technical assistance of other agencies or area development districts in order to provide for the local enforcement of the uniform state building code.

(10) Each local government and the department may establish a schedule of fees for the functions performed under the provisions of this chapter. Such fees shall be designed to fully cover the cost of the service performed but shall in no case exceed the cost of the service performed. Fees payable to the department shall be paid into the state treasury and credited to a trust and agency fund to be used by the department in carrying out the provisions of this chapter. No part of this fund shall revert to the general fund of the Commonwealth."

Floor Amendment No. 2 to **HB 863,** by Representative White:

Amend printed copy of **HB 863,** on page 2, line 8, after the word "waste" and before the "." insert the words "other than coal or coal mining wastes"

Floor Amendment No. 2 to **SB 102,** by Representative Stone:

Amend printed copy of **SB 102,** page 2, line 19, after the word "annum" insert a ","

and on page 2, line 19 after the words "to the" insert the following: "*minimum provided by subsection (2) and to the calculation provided by subsection (3) of this section*"

and on page 2, line 19 before the word "methods" insert "["

and on page 2, line 20 after the word "out" insert "]"

and on page 3, between lines 5 and 6 insert the following: *(2) the annual compensation payable to each circuit clerk beginning on July 1, 1980 shall be no less than $2,000 in excess of the annual compensation payable as of June 30, 1980*

and on page 3, line 6 delete "*(2)*" and substitute in lieu thereof "*(3)*"

and on line 9 delete "*1981*" and substitute in lieu thereof "*1980*"

and on page 3, line 13 delete "*1981*" and substitute in lieu thereof "*1982*"

and on page 3, line 13 delete the word "*salary*" and substitute in lieu thereof "*compensation*" and on page 5, lines 10 through 12 delete section 6 in its entirety and substitute in lieu thereof the following:

Section 6. For funding purposes there is appropriated to the Court of Justice and the Judicial Retirement Board out of the general expenditure fund in the state treasury, for the fiscal years 1980-81 and 1981-82, the following respective amounts (the appropriation to the Judicial Retirement Board being an amount equal to 19.25% in the case of Justices and Judges entering the Judicial Retirement System on or after July 1, 1978, and 34.6% in the case of all other members, of the judicial salary increases provided for by this Act).

1980-81	$3,163,009
1981-82	$3,922,105

Floor Amendment No. 2 to the Committee Substitute to **HB 973** by Representative DeFalaise:

Amend printed copy of Committee Substitute for **HB 973,** page 23, line 16, delete lines 16 through 24 in their entirety and insert in lieu thereof:

"Section 16. Whereas the taxation of gasoline as defined in Section 1 and as provided herein results in the accumulation of state revenue to be utilized for the construction, reconstruction and maintenance of the public roads; and whereas Section 60 of the Constitution of Kentucky authorized the General Assembly to enact laws which shall be effective upon approval of the electorate when such laws relate to certain enumerated subjects including laws relating to bridges, turnpikes or other public roads; the provisions of this Act shall not become effective until such time as approved by the electorate in the following manner. The Attorney General shall be directed to set out, in language reasonably calculated to be easily understood, the summarized content and effect of this Act in the form of a question as to whether this Act shall become effective. The Secretary of State shall subsequently certify the question to the county clerk of each county to be placed before the electorate on the next scheduled regular election ballot. Should a majority of those qualified electors voting at such election indicate their preference that this Act shall become effective, and only upon such condition, the effective date of this Act shall be the first day of January next following the election described herein."

Floor Amendment No. 1 to **HB 767,** by Representative Romines:

Amend printed copy of **HB 767,** on page 1, line 11, after the word "*subsection (5)*" add "*(a) and (b)*"

Floor Amendment No. 3 to **HB 968,** by Representatives Jones:

Amend printed copy of **HB 968,** page 1, line 5, delete the word "*limestone,* and on page 1, line 10, bracket the [,] and add "*and limestone.*"

Floor Amendment No. 1 to **SB 10,** by Representative B. Richardson:

Amend printed copy of **SB 10,** page 1, following line 4, by inserting the following language:

"Section 2. KRS 287.100 is amended to read as follows:

A bank may:

(1) Hold such personal property as has been transferred to it as collateral for the payment of any debt;

(2) Acquire and hold title to real estate, provided:

(a) Such real estate is necessary or appropriate for the transaction of legitimate business, and

(b) The cost of such real estate, including furniture and fixtures, shall not exceed *fifty percent (50%)* [40 percent] of the total paid-in capital, unimpaired surplus and undivided profits (determined on accrual basis). The commissioner may permit the investment of a larger amount;

(3) Acquire and hold for not longer than ten years, any real estate conveyed to it in satisfaction of debts previously contracted in the course of its business, or that it may purchase under a judgment in its favor;

(4) Invest in the bonds of any Federal Home Loan Bank;

(5) Invest in obligations issued separately or collectively by or for federal land banks, federal intermediate credit banks and banks for cooperatives under the Act of Congress known as the Farm Credit Act of 1971, 85 Stat. 583, 12 U.S.C. 2001 and amendments thereto;

(6) Invest, subject to the approval of the commissioner, in the capital stock or bonds or both of any domestic realty corporation organized or existing for the sole purpose of acquiring and holding title to real property used by the bank, through lease or otherwise, for the transaction of the bank's legitimate business.

(7) Purchase, hold, and convey the shares of any open end registered investment company registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933 and whose investments are limited to:

(a) Bonds or other interest bearing obligations of the United States, or those for the payment of the principal and interest on which the faith and credit of the United States is pledged;

(b) Bonds, or other interest bearing obligations issued or guaranteed as to the payment of principal and interest by any instrumentality presently or hereafter incorporated by authority of an Act of Congress;

(c) Kentucky municipal securities which are obligations issued by the state of Kentucky, its political subdivisions, and the districts, authorities, agencies and instrumentalities of the state and its political subdivisions, the interest on which is exempt from federal and Kentucky income taxes."

Floor Amendment No. 3 to **SB 58,** by Representative Dawahare:

Amend printed copy of **SB 58,** page 6, after line 11, by inserting the words:

"Section 2. KRS 198A.090 is amended to read as follows:

(1) The corporation is hereby authorized to provide for the issuance, at one time or from time to time, of not exceeding seven hundred *and fifty* million *($750,000,000)* [$700,000,000] bonds of the corporation to carry out and effectuate its corporate purposes and powers. In anticipation of the issuance of such bonds the corporation also is hereby authorized to provide for the issuance, at one time or from time to time, of bond anticipation notes. The principal of and the interest on such bonds or notes shall be payable solely from the funds herein provided for such payment. Any such notes may be made payable from the proceeds of bonds or renewal notes or, in the event bond or renewal note proceeds are not available, such notes may be paid from any available revenues or assets of the corporation. The bonds or notes of each issue shall be dated and may be made redeemable before maturity at the option of the corporation at such price or prices and under such terms and conditions as may be determined by the corporation. Any such bonds or notes shall bear interest at such rate or rates as may be determined by the corporation. Notes shall mature at such time or times not exceeding ten years from their date or dates and bonds shall mature at such time or times not exceeding forty years from their date or dates, as may be determined by the corporation. The corporation shall determine the form and manner of execution of the bonds or notes, including any interest coupons to be attached thereto, and shall fix the denomination or denominations and the place or places of payment of principal and interest, which may be any bank or trust company within or without the Commonwealth. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or notes or coupons attached thereto shall cease to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The corporation may also provide for the authentication of the bonds or notes by a trustee or fiscal agent. The bonds or notes may be issued in coupon or in registered form, or both, as the corporation may determine, and provision may be made for the registration of any coupon bonds or notes as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds or notes of any bonds or notes registered as to both principal and interest, and for the interchange of registered and coupon bonds or notes. Upon the approval of a resolution of the corporation, authorizing the sale of its bonds or notes, such bonds or notes may be sold in such manner, either at public or private sale, and for such price as said corporation shall determine to be for the best interest of the corporation and best effectuate the purposes of this chapter provided that such sale shall be approved by the corporation.

(2) The proceeds of any bonds or notes shall be used solely for the purposes for which issued and shall be disbursed in such manner and under such restrictions if any, as the corporation may provide in the resolution authorizing the issuance of such bonds or notes or in the trust agreement hereinafter mentioned securing the same.

(3) Prior to the preparation of definitive bonds, the corporation may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The corporation may also provide for the replacement of any bonds or notes which shall become mutilated or shall be destroyed or lost.

(4) Bonds or notes may be issued under the provisions of this chapter only upon obtaining the approval of the state property and buildings commission, pursuant to the provisions of KRS Chapter 56.

(5) The executive department for finance and administration shall provide to the corporation such fiscal consultant services regarding revenue bond management as may be necessary.

SECTION 3. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created and established a special revolving loan fund to be administered by the corporation as a trust fund separate and distinct from any other moneys or funds administered by the corporation.

((2) The fund shall be comprised of the proceeds from fifty million dollars ($50,000,000) revenue bonds issued by the corporation at one (1) time or from time to time, and of the repayment of loans made from the fund. The operation of revenue bond financing under this section shall be in accordance with KRS 198A.090.

(3) The purpose of this fund shall be to provide a source from which the corporation shall make loans for single-family residential housing for residents of counties under the jurisdiction of the Appalachian Regional Commission. Coal miners shall be eligible for loans through the fund regardless of income.

Floor Amendment No. 8 to **HB 970,** by Representative Little:

Amend printed copy of **HB 970,** page 10, line 5, by deleting after the date "1979-80" on line 5 all the language in lines 5 through 9 and substituting in lieu thereof he following: "for the energy road fund"

and on page 11, by deleting all of lines 20 and 21

Floor Amendment No. 51 to the Committee Substitute to **HB 532,** by Representative Gray:

Amend printed copy of Committee Substitute to **HB 532,** page 44, line 13, delete "*eligible for normal*" and insert in lieu thereof "*entitled to receive*"

Floor Amendment No. 52 to the Committee Substitute to **HB 532,** by Representative Stumbo:

Amend printed copy of Committee Substitute to **HB 532,** page 43, line 23, following the word "disability" add the following: "In the event that the occupational disease is permanent in nature, with no known cure and good medical hygiene, properly attested to, prevents the individual from returning to his usual job and/or occupation then benefits paid under this chapter shall be for the lifetime of the individual, or payable to his dependents as provided herein."

page 57, line 6, delete lines 6 through 26

page 58, line 1, delete line 1

Floor Amendment No. 53 to the Committee Substitute to **HB 532,** by Representative Stumbo:

Amend printed copy of Committee Substitute to **HB 532,** page 43, line 18, following the word "disability" add the following: "and for disability resulting from an occupational disease where the board determines from competent medical testimony that in light of good medical hygiene that the affected individual should not return to his usual job and/or occupation because further exposure would probably cause the disease to worsen and increase the possibility of shortening his lifespan."

Floor Amendment No. 54 to the Committee Substitute to **HB 532,** by Representative Stumbo:

Amend printed copy of Committee Substitute to **HB 532,** page 20, line 6, delete the word and number "ninety (90)" and insert therein "thirty (30)"

page 22, line 14, delete word "irrebuttable" insert therein "rebuttable"

page 24, line 4, delete beginning with the word "or" and delete remaining of line 4, all of line 5, all of line 6, all of line 7, and all of line 8

page 31, line 16, delete "independently of any other cause whatsoever" page 32, line 10, delete "or occupational disease"

Floor Amendment No. 6 to **HB 970,** by Representative Little:

Amend printed copy of **HB 970,** page 2, line 18, by deleting after the word "expenditures" all of the rest of lines 18 through 21 and by substituting in lieu thereof the following: "*. Thirty percent (30%) of all monies in the fund shall be spent on the coal haul road system as described in subsection (7) of this section. The remaining seventy percent (90%) of the fund shall be spent on priority categories limited to the following*"

Floor Amendment No. 1 to **SB 23,** by Representative Caldwell:

Amend printed copy of **SB 23,** page 1, line 14, insert a period after the word "office"

Page 1, line 18, delete in their entirety lines 18 through 21.

Floor Title Amendment to **SB 243,** by Representative Weinberg:

Amend printed copy of **SB 243,** page 1, title, by changing the title to read as follows: "AN ACT relating to litter control."

Floor Amendment No. 1 to **SB 243,** by Representative Weinberg:

Amend printed copy of **SB 243,** on page 1, by inserting before "Section 1" the following language:

"SECTION 1. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context requires otherwise:

(1) "Beverage" means beer or other malt beverages and mineral waters, soda water and similar carbonated soft drinks in liquid form and intended for human consumption.

(2) "Beverage container" means the individual, separate, sealed glass, metal or plastic bottle, can, jar or carton containing a beverage.

(3) "Consumer" means every person who purchases a beverage in a beverage container for use or consumption.

(4) "Dealer" means every person in this state who engages in the sale of beverages in beverage containers to a consumer, or means a redemption center certified under Section 6 of this Act.

(5) "Department" means the department for natural resources and environmental protection.

(6) "Distributor" means every person who engages in the sale of beverages in beverage containers to a dealer in this state including any manufacturer who engages in such sales.

(7) "Manufacturer" means every person bottling, canning or otherwise filling beverage containers for sale to distributors or dealers.

(8) "Place of business of a dealer" means the location at which a dealer sells or offers for sale beverages in beverage containers to consumers.

(9) "Use or consumption" includes the exercise of any right or power over a beverage incident to the ownership thereof, other than the sale or the keeping or retention of a beverage for the purpose of sale.

SECTION 2. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Every beverage container sold or offered for sale in this state shall have a refund value of not less than five (5) cents.

SECTION 3. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Except as provided in Section 4 of this Act:

(1) A dealer shall not refuse to accept from a consumer any empty beverage containers of the kind, size and brand sold by the dealer, or refuse to pay to the consumer the refund value of a beverage container as established by Section 2 of this Act.

(2) A distributor shall not refuse to accept from a dealer any empty beverage containers of the kind, size and brand sold by the distributor, or refuse to pay the dealer the refund value of a beverage container as established by Section 2 of this Act.

(3) In addition to the refund value of a beverage container, a dealer shall be paid a handling fee by the distributor of one (1) cent for each container redeemed.

SECTION 4. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) A dealer may refuse to accept from a consumer, and a distributor may refuse to accept from a dealer, any empty beverage container which does not state thereon a refund value as established by Section 2 of this Act, except for those containers provided for in Section 5(2) of this Act.

(2) A dealer may refuse to accept and to pay the refund value of empty beverage containers if the place of business of the dealer and the kind and brand of empty beverage containers are included in an order of the department approving a redemption center under Section 6 of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) Every beverage container sold or offered for sale in this state by a dealer shall clearly indicate by embossing or by a stamp, or by a label, or other method securely affixed to the beverage container, the refund value of the container.

(2) Subsection (1) of this section shall not apply to glass beverage containers designed for beverages having the brand name permanently marked thereon which, on the effective date of this Act, had a refund value of not less than five (5) cents.

(3) No person shall sell or offer for sale at retail in this state any metal beverage container so designed and constructed that a part of the container is detachable in opening the container without the aid of a can opener.

SECTION 6. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) To facilitate the return of empty beverage containers and to serve dealers of beverages, any person may establish a redemption center, subject to the approval of the department at which consumers may return empty beverage containers and receive payment of the refund value of such beverage containers.

(2) Application for approval of a redemption center shall be filed with the department. The application shall state the name and address of the person responsible for the establishment and operation of the redemption center, the kind and brand names of the beverage containers which will be accepted at the redemption center and the names and addresses of the dealers to be served by the redemption center. The application shall include such additional information as the department may require.

(3) The department shall approve a redemption center if it finds the redemption center will provide a convenient service to consumers for the return of empty beverage containers. The order of the department approving a redemption center shall state the dealers to be served by the redemption center and the kind and brand names of empty beverage containers which the redemption center must accept. The order may contain such other provisions to insure the redemption center will provide a convenient service to the public as the department may determine.

(4) The department may review at any time approval of a redemption center. After written notice to the person responsible for the establishment and operation of the redemption center, and to the dealers served by the redemption center, the department may, after hearing, withdraw approval of a redemption center if the department finds there has not been compliance with its order approving the redemption center, or if the redemption center no longer provides a convenient service to the public.

SECTION 7. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The department shall issue rules and regulations to enforce this Act.

SECTION 8. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Any person who violates Sections 2, 3, or 5 of this Act shall be fined not more than five hundred dollars ($500) for each offense, each day of violation constituting a separate offense."

And on page 1, line 1, by changing "Section 1" to "Section 9" and by renumbering all subsequent sections accordingly.

Floor Amendment No. 3 to the Committee Substitute to **HB 835**, by Representative Cawood:

Amend printed copy of Committee Substitute for **HB 835,** page 8, lines 24 through 26, by deleting said lines in their entirety;

and on page 9, by deleting lines 1 through 26 in their entirety;

and on page 10, by deleting line 1;

and on page 8, after line 23, by inserting the following:

"*(c) Consistent with the policy of small operator assistance, and to the maximum extent practicable, the department shall promulgate regulations, to the extent allowed by law, that will require the department to set aside an appropriate percentage of abandoned mine land program projects for small operators having mined coal under a state permit or license in the previous three (3) years. The department shall establish procedures for maximizing participation by small operators in reclamation projects by accounting in its regulations for advance advertising, soliciting, evaluating bids, and awarding contracts of abandoned mine lands reclamation projects.*"

Floor Amendment No. 4 to the Committee Substitute to **HB 968**, by Representative Clarke:

Amend printed copy of Committee Substitute for **HB 968,** page 8, line 12, by inserting after the word "for" the words, "the collection of".

Floor Amendment No. 7 to **HB 970,** by Representative Patrick:

Amend printed copy of **HB 970,** page 10, line 11, by deleting after the word "allocated" the words "among the counties" and by inserting after line 11 the following:

"*(1) Seventy-five percent (75%) of all the monies in the fund shall go for the maintenance and upkeep of rural and secondary roads in coal producing counties.*"

and on line 12, by deleting the number "(1)" and inserting in lieu thereof the number "(2)".

Floor Amendment No. 2 to the Committee Substitute to **SB 23,** by Representative Caldwell:

Amend printed copy of Committee Substitute for **SB 23,** page 1, line 14, insert a period after the word "office"

Page 1, line 18, delete in their entirety lines 18 through 21.

Floor Amendment No. 4 to **SB 26,** by Representative DeFalaise:

Amend printed copy of **SB 26,** page 40, between line 11 and line 12, insert the following new sections and renumber the subsequent sections accordingly:

"SECTION 19. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The boundaries of cities shall remain as established by law until changed as provided in KRS Chapter 81. The legislative body of any city may annex any unincorporated territory or reduce the boundaries of the city under the provisions of this Act.

SECTION 20. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Any city exercising authority under Section 19 of this Act shall make plans for the extension of services to the area proposed to be annexed and shall, prior to the public hearings provided for in Section 23 of this Act, prepare a report setting forth such plans. The report shall include:

(1) A map of the city and adjacent territory to show the following information:

(a) The present and proposed boundaries of the city;

(b) The present streets, major trunk water mains, sewer interceptors and outfalls as well as other utility lines;

(c) The present areas receiving, or able to receive, major city services, and the proposed extension of such services to other areas; and

(d) The prevailing general land use patterns existing in the area to be annexed.

(2) A statement showing that the area to be annexed meets the requirements of Section 21 of this Act.

(3) A statement setting forth the plans of the city for extending to the area to be annexed each major city service owned by the city or subsidized through city tax revenues and performed within the city at the time of annexation. Such statement shall:

(a) Provide for extending police and fire protection, garbage collection, and street maintenance services to the area to be annexed on the date of annexation, on substantially the same basis and in the same manner as such services are provided within the boundaries of the city prior to annexation;

(b) Provide for extension, into the area to be annexed, of streets and of major trunk water mains, sewer outfall lines, and lines for such utility services as the city provides to existing city residents and legally may provide in the annexed area, so that when such streets and utility lines are constructed, property owners in the area to be annexed will be able to secure the services, according to the policies in effect in the city for extending the services to individual lots or subdivisions; and shall name the government proposed to be responsible under the plans for any streets or roads which abut or form a boundary of the area to be annexed;

(c) Set forth a proposed timetable for the extension of, and if necessary, the construction for each major city service;

(d) Set forth a projected estimation of tax rates pursuant to Section 11 of this Act to be levied by the city upon the area to be annexed and affected residents of that area for each year until such time that all major city services have been provided; and

(e) Set forth the method under which the city plans to finance extension of services into the area to be annexed.

SECTION 21. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city legislative body may extend the city's boundaries to include any area:

(a) Which is adjacent or contiguous to the city's boundaries at the time the annexation proceeding is begun; and

(b) Which by reason of population density, commercial, industrial, institutional or governmental use of land, or subdivision of land, is urban in character or suitable for development for urban purposes without unreasonable delay.

(2) No part of the area to be annexed shall be included within the boundary of another incorporated city, except as provided by law.

(3) If a city is considering the annexation of two (2) or more areas which are all adjacent to the city boundary but are not adjacent to one another, it may undertake simultaneous proceedings under authority of Section 19 of this Act for the annexation of such areas.

SECTION 22. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Any city legislative body desiring to annex territory shall first pass an ordinance stating the intent of the city to consider annexation. The ordinance shall also specify the following:

(a) A summary of the report which is required by Section 20 of this Act;

(b) A statement setting forth its findings that the area meets the standards of Section 21 of this Act;

(c) The date, time and place for public hearings on the question of annexation, the date to be not less than thirty (30) days nor more than sixty (60) days following the passage of the ordinance; and

(d) A statement that the report required in Section 20 of this Act will be available for inspection at least thirty (30) days prior to the date of the first public hearing and where it will be available.

SECTION 23. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) At least two (2) public hearings shall be held on the proposed annexation after the passage of an ordinance pursuant to Section 22 of this Act. Additional hearings may be held. Notice of such hearings shall be published in accordance with KRS Chapter 424.

(2) The hearings held pursuant to this section shall provide an opportunity to be heard to all persons residing or owning property in the area described in the notice of the public hearing, and to all residents of the city.

(3) At each public hearing, a representative of the city shall make an explanation of the report required in Section 20 of this Act. Such explanation shall be as detailed as necessary so as to convey an accurate and definitive report.

(4) The city legislative body shall take into consideration facts presented at the public hearings and shall have authority to amend the report required by Section 20 of this Act and to make changes in the plans for serving the area proposed to be annexed so long as such changes meet the requirements of Section 21 of this Act. If any amendment or change is approved by the city legislative body, another hearing shall be held to provide any person residing or owning property in the area to be annexed or any resident of the city an opportunity to be heard on the amendment or amendments. Such hearing shall be held not later than thirty (30) days after the city legislative body approves the amendment. Notice of such hearing shall be published in accordance with KRS Chapter 424.

SECTION 24. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) At any meeting of the city legislative body which occurs not sooner than thirty (30) days nor later than sixty (60) days following the last public hearing, the city legislative body may adopt an ordinance extending the corporate limits of the city to include all, or part, of the area described in the notice of the

public hearing or, if there has been any amendment to such description, that described in the amendment. The area described shall meet the requirements of Section 21 of this Act. The ordinance shall be adopted by a two-thirds vote of the legislative body. The ordinance shall:

(a) Contain a statement of the intent of the city to provide services to the area being annexed as set forth in the report required by Section 20 of this Act.

(b) Contain specific findings showing that the area to be annexed meets the requirements of Section 21 of this Act. The external boundaries of the area to be annexed shall be described by metes and bounds. The city legislative body may also refer to the boundaries set forth on a map of the area and incorporate the same by reference as a part of the ordinance;

(c) Contain a specific finding that on the effective date of annexation the city will have the means to provide by assessment, appropriation or otherwise for the services as specified in Section 20 of this Act;

(d) Contain a statement specifying the city tax rates that will be levied for the next tax year upon the affected residents and property which is to be annexed; and

(e) Fix the effective date of annexation. The effective date of annexation may be fixed for any date within twelve (12) months from the date of passage of the ordinance except within the first sixty (60) days.

(2) The ordinance of annexation shall be published in accordance with the provisions of KRS Chapter 424.

(3) From and after the effective date of the annexation ordinance, the territory in the affected area and its residents and property shall be subject to all laws, ordinances and regulations in force in such city and shall be entitled to the same privileges and benefits as other parts of such city; provided, however, if the annexation plan is remonstrated against pursuant to Section 25 of this Act, the effective date of the annexation shall not be until thirty (30) days after the certification of the vote in favor of annexation pursuant to subsection (3) of Section 25 of this Act.

SECTION 25. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) If following the publication of an annexation ordinance under authority of Section 24 of this Act and within sixty (60) days thereof, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be annexed petition the mayor in opposition to the proposal, an election shall be held at the next regular election occurring at least sixty (60) days after the petition is presented to the county clerk.

(2) The mayor of the city shall deliver a certified copy of the ordinance to the county clerk of the county in which the territory proposed to be annexed is located, or if such territory is located in more than one (1) county, to the county clerks of such counties, who shall have printed on the ballot provided for use in each precinct embraced in whole or in part within the territory proposed to be annexed the question: "Are you in favor of being annexed to the City of __________?" If only a part of any precinct is embraced within the territory proposed to be annexed only persons who reside within the territory proposed to be annexed shall be permitted to vote. The clerk shall cause the sheriff or sheriffs to deliver to the election officers in each precinct in the appropriate counties copies of the ordinance proposing to annex.

(3) If one-half (½) or more of the registered voters in the area to be annexed vote in favor of annexation, such territory shall become a part of the city as provided in subsection (3) of Section 21 of this Act.

(4) If less than one-half (½) of the registered voters in the area to be annexed vote in favor of annexation, the ordinance proposing annexation shall become ineffective for any purpose.

SECTION 26. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city shall tax property within the annexed area only in such amount as is commensurate with city services or facilities actually made available to the residents or property of the affected area including continuation of services provided prior to annexation.

(2) If services available from the city have been provided prior to annexation from another source in the annexed area, the city shall not tax for such services unless they are actually provided by the city as a lawful replacement for existing services.

SECTION 27. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city may reduce its boundaries by ordinance in accordance with this section.

(2) Area may be excluded from a city by a reduction of boundaries only if:

(a) The area does not need urban governmental services, or it can better obtain those services from another source;

(b) The reduction will not result in a substantial economic waste of the city's facilities in the area; and

(c) The retention of the area is not essential to the continued prosperity of the city or the reduction would best serve the needs and interests of the community as a whole with respect to government in urban territory.

(3) If following the publication of a reduction ordinance under the authority of Section 19 of this Act, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be reduced oppose the reduction ordinance, an election shall be held in accordance with the provisions of Section 20 of this Act.

SECTION 28. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Whenever the limits of a city are enlarged or reduced, the city shall cause an accurate map of the annexed or severed area with a metes and bounds description, together with a copy of the ordinance duly certified, to be recorded in the office of the county clerk of the county or counties in which the city is located and in the office of the secretary of state.

SECTION 29. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The provisions of this Act shall apply in any annexation proceeding in which the annexing city has not adopted a final annexation ordinance by the effective date of this Act.

SECTION 30. The following sections of the KRS are repealed:

81.100 Annexation of unincorporated territory or reduction of territory by first-class city.

81.110 Protest against annexation of unincorporated territory or reduction of territory by first-class city — Trial — Judgment.

81.140 Annexation of unincorporated territory or reduction of territory by second-class city.

81.145 Election on annexation of unincorporated territory by a city of the second class in a county containing a city of the second and third class.

81.180 Second-class city to divide annexed territory into wards — Right of electors in annexed territory.

81.190 Annexation or reduction of territory by third-class city.

81.210 Annexation or reduction of territory by fourth-class city.

81.220 Protest against annexation by fourth-class city — Trial — Judgment.

81.230 Annexation or reduction of territory by fifth-class city.

81.240 Annexation or reduction of territory by sixth-class city.

81.250 Fifth or sixth-class city takes over rights and liabilities of city annexed.

81.260 Liability of property owners in territory annexed to sixth-class city for debts of city incurred before annexation.

81.270 Resubmission of proposal for annexation or reduction by city of any class when first proposal is denied by court or defeated by voters.

81.296 Publication of ordinance."

Floor Amendment No. 3 to **SB 102,** by Representative Schmidt:

Amend printed copy of **SB 102,** page 5, line 1, after the word "Court." by inserting the following:

"Section 4. KRS 21.400 is amended to read as follows:

(1) A member who retires on or after his normal retirement date shall receive a service retirement allowance, payable monthly during his lifetime, in an amount per month equal to *two and seventy-five-hundredths percent (2.75%)* [four and fifteen one hundredths percent (4.15%)] of his final compensation multiplied by the number of years of his service, but in no event to exceed one hundred percent (100%) of final compensation, except that for any service performed while a member prior to July 1, 1978, any service prior to July 1, 1962 creditable under KRS 21.345, and any service performed in continued membership (or allowable under KRS 21.410 or 21.420) after June 30, 1978, by a person who was a member on that date, the monthly percentage figure shall be five percent (5%) *of his final compensation multiplied by the number of years of his service, and except that for any service performed by a member who elected membership at an annual accrual rate of four and fifteen one hundredths percent (4.15%) and for any service performed in continued membership thereafter (or allowable under KRS 21.410 through 21.420), the benefit, payable monthly during his lifetime shall be an amount equal to four and fifteen one hundredths percent (4.15%) of his final compensation multiplied by the number of years of his service*, and except that allowances heretofore granted, and rights related thereto, shall not be affected by the 1978 *or 1980 amendments* [amendment] to this section. For this purpose, "final compensation" means the average monthly compensation of the member for the sixty (60) months of service immediately preceding his retirement, including, in the case of a circuit judge, compensation received as special commissioner of the former Court of Appeals. If, at the time of retirement or death of a member his total period of service in one or more positions covered by the system has not amounted to sixty (60) months, his "final compensation" shall be computed as if he had served in the first position he occupied under the system for such period of time as to bring his total service (in all positions) to sixty (60) months. If that category of position was not in existence for that period, it shall be treated as though it had been in existence for that period and as if the compensation paid for the presumed period of existence was at the rate provided for the category when it in fact first was created.

(2) A member who retires before his normal retirement date shall be vested with the right to receive, when he reaches his normal retirement age, a service retirement allowance computed and payable in accordance with the provisions of subsection (1) of this section, on the basis of the number of years of his actual service.

(3) In lieu of the right provided for in subsection (2) of this section, a member who retires before his normal retirement age may elect, at any time before reaching his normal retirement age, to be paid commencing as of the time of the election a monthly service retirement allowance equal in amount to the monthly allowance that would have become payable under subsection (2) of this section when he reached his normal retirement age, reduced actuarially in accordance with his actual age at the time the election is made."

and on page 5, line 2, by deleting after the word "Section" the numeral "4" and inserting therefor the following: "5";

and on page 5, line 5, by deleting after the word "Section" the numeral "5" and inserting therefor the following: "6";

and on page 5, line 10, by deleting after the word "Section" the numeral "6" and inserting therefor the following: "7".

Floor Amendment No. 3 to the Committee Substitute to **HB 973,** by Representative Barrows:

Amend printed copy of Committee Substitute to **HB 973,** page 5, line 17, after the word "*and*" by deleting the word "*fifty*" and inserting in lieu thereof the word "*eighty*";

and on page 5, line 17, after the word "*cents*" by deleting "*($1.50)*" and inserting in lieu thereof "*($1.80)*";

and on page 6, line 3, after the word "*of*" by deleting the word "*nine*" and inserting in lieu thereof the words "*seven and one-half*";

and on page 6, line 3, after the word "*percent*" by deleting "*9%)*" and inserting in lieu thereof "*(7.5%)*".

Floor Title Amendment to **HJR 121,** by Representative DeMarcus:

Amend printed copy of **HJR 121,** page 1, title, by deleting the words "and making an appropriation therefor".

Floor Amendment No. 1 to **SB 125,** by Representative Caldwell:

Amend printed copy of **SB 125,** page 1, line 3, delete lines 3 through 12 in their entirety;

page 1, line 13, delete all of the content of line 13 before "lotteries and"

Floor Amendment No. 1 to **SB 21,** by Representative DeFalaise:

Amend printed copy of **SB 21,** page 2, after line 12, between lines 12 and 13 insert the following new sections and renumber subsequent sections accordingly:

"SECTION 4. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The boundaries of cities shall remain as established by law until changed as provided in KRS Chapter 81. The legislative body of any city may annex any unincorporated territory or reduce the boundaries of the city under the provisions of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Any city exercising authority under Section 4 of this Act shall make plans for the extension of services to the area proposed to be annexed and shall, prior to the public hearings provided for in Section 8 of this Act, prepare a report setting forth such plans. The report shall include:

(1) A map of the city and adjacent territory to show the following information:

(a) The present and proposed boundaries of the city;

(b) The present streets, major trunk water mains, sewer interceptors and outfalls as well as other utility lines;

(c) The present areas receiving, or able to receive, major city services, and the proposed extension of such services to other areas; and

(d) The prevailing general land use patterns existing in the area to be annexed.

(2) A statement showing that the area to be annexed meets the requirements of Section 6 of this Act.

(3) A statement setting forth the plans of the city for extending to the area to be annexed each major city service owned by the city or subsidized through city tax revenues and performed within the city at the time of annexation. Such statement shall:

(a) Provide for extending police and fire protection, garbage collection, and street maintenance services to the area to be annexed on the date of annexation, on substantially the same basis and in the same manner as such services are provided within the boundaries of the city prior to annexation;

(b) Provide for extension, into the area to be annexed, of streets and of major trunk water mains, sewer outfall lines, and lines for such utility services as the city provides to existing city residents and legally may provide in the annexed area, so that when such streets and utility lines are constructed, property owners in the area to be annexed will be able to secure the services, according to the policies in effect in the city for extending the services to individual lots or subdivisions; and shall name the government proposed to be responsible under the plans for any streets or roads which abut or form a boundary of the area to be annexed;

(c) Set forth a proposed timetable for the extension of, and if necessary, the construction for each major city service;

(d) Set forth a projected estimation of tax rates pursuant to Section 11 of this Act to be levied by the city upon the area to be annexed and affected residents of that area for each year until such time that all major city services have been provided; and

(e) Set forth the method under which the city plans to finance extension of services into the area to be annexed.

SECTION 6. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city legislative body may extend the city's boundaries to include any area:

(a) Which is adjacent or contiguous to the city's boundaries at the time the annexation proceeding is begun; and

(b) Which by reason of population density, commercial, industrial, institutional or governmental use of land, or subdivision of land, is urban in character or suitable for development for urban purposes without unreasonable delay.

(2) No part of the area to be annexed shall be included within the boundary of another incorporated city, except as provided by law.

(3) If a city is considering the annexation of two (2) or more areas which are all adjacent to the city boundary but are not adjacent to one another, it may undertake simultaneous proceedings under authority of Section 4 of this Act for the annexation of such areas.

SECTION 7. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Any city legislative body desiring to annex territory shall first pass an ordinance stating the intent of the city to consider annexation. The ordinance shall also specify the following:

(a) A summary of the report which is required by Section 5 of this Act;

(b) A statement setting forth its findings that the area meets the standards of Section 6 of this Act;

(c) The date, time and place for public hearings on the question of annexation, the date to be not less than thirty (30) days nor more than sixty (60) days following the passage of the ordinance; and

(d) A statement that the report required in Section 5 of this Act will be available for inspection at least thirty (30) days prior to the date of the first public hearing and where it will be available.

SECTION 8. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) At least two (2) public hearings shall be held on the proposed annexation after the passage of an ordinance pursuant to Section 7 of this Act. Additional hearings may be held. Notice of such hearings shall be published in accordance with KRS Chapter 424.

(2) The hearings held pursuant to this section shall provide an opportunity to be heard to all persons residing or owning property in the area described in the notice of the public hearing, and to all residents of the city.

(3) At each public hearing, a representative of the city shall make an explanation of the report required in Section 5 of this Act. Such explanation shall be as detailed as necessary so as to convey an accurate and definitive report.

(4) The city legislative body shall take into consideration facts presented at the public hearings and shall have authority to amend the report required by Section 5 of this Act and to make changes in the plans for serving the area proposed to be annexed so long as such changes meet the requirements of Section 6 of this Act. If any amendment or change is approved by the city legislative body, another hearing shall be held to provide any person residing or owning property in the area to be annexed or any resident of the city an opportunity to be heard on the amendment or amendments. Such hearing shall be held not later than thirty (30) days after the city legislative body approves the amendment. Notice of such hearing shall be published in accordance with KRS Chapter 424.

SECTION 9. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) At any meeting of the city legislative body which occurs not sooner than thirty (30) days nor later than sixty (60) days following the last public hearing, the city legislative body may adopt an ordinance extending the corporate limits of the city to include all, or part, of the area described in the notice of the public hearing or, if there has been any amendment to such description, that described in the amendment. The area described shall meet the requirements of Section 6 of this Act. The ordinance shall be adopted by a two-thirds vote of the legislative body. The ordinance shall:

(a) Contain a statement of the intent of the city to provide services to the area being annexed as set forth in the report required by Section 5 of this Act.

(b) Contain specific findings showing that the area to be annexed meets the requirements of Section 6 of this Act. The external boundaries of the area to be annexed shall be described by metes and bounds. The city legislative body may also refer to the boundaries set forth on a map of the area and incorporate the same by reference as a part of the ordinance;

(c) Contain a specific finding that on the effective date of annexation the city will have the means to provide by assessment, appropriation or otherwise for the services as specified in Section 5 of this Act;

(d) Contain a statement specifying the city tax rates that will be levied for the next tax year upon the affected residents and property which is to be annexed; and

(e) Fix the effective date of annexation. The effective date of annexation may be fixed for any date within twelve (12) months from the date of passage of the ordinance except within the first sixty (60) days.

(2) The ordinance of annexation shall be published in accordance with the provisions of KRS Chapter 424.

(3) From and after the effective date of the annexation ordinance, the territory in the affected area and its residents and property shall be subject to all laws, ordinances and regulations in force in such city and shall be entitled to the same privileges and benefits as other parts of such city; provided, however, if the annexation plan is remonstrated against pursuant to Section 10 of this Act, the effective date of the annexation shall not be until thirty (30) days after the certification of the vote in favor of annexation pursuant to subsection (3) of Section 10 of this Act.

SECTION 10. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) If following the publication of an annexation ordinance under authority of Section 9 of this Act and within sixty (60) days thereof, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be annexed petition the mayor in opposition to the proposal, an election shall be held at the next regular election occurring at least sixty (60) days after the petition is presented to the county clerk.

(2) The mayor of the city shall deliver a certified copy of the ordinance to the county clerk of the county in which the territory proposed to be annexed is located, or if such territory is located in more than

one (1) county, to the county clerks of such counties, who shall have printed on the ballot provided for use in each precinct embraced in whole or in part within the territory proposed to be annexed the question: "Are you in favor of being annexed to the City of __________?" If only a part of any precinct is embraced within the territory proposed to be annexed only persons who reside within the territory proposed to be annexed shall be permitted to vote. The clerk shall cause the sheriff or sheriffs to deliver to the election officers in each precinct in the appropriate counties copies of the ordinance proposing to annex.

(3) If one-half (½) or more of the registered voters in the area to be annexed vote in favor of annexation, such territory shall become a part of the city as provided in subsection (3) of Section 6 of this Act.

(4) If less than one-half (½) of the registered voters in the area to be annexed vote in favor of annexation, the ordinance proposing annexation shall become ineffective for any purpose.

SECTION 11. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city shall tax property within the annexed area only in such amount as is commensurate with city services or facilities actually made available to the residents or property of the affected area including continuation of services provided prior to annexation.

(2) If services available from the city have been provided prior to annexation from another source in the annexed area, the city shall not tax for such services unless they are actually provided by the city as a lawful replacement for existing services.

SECTION 12. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city may reduce its boundaries by ordinance in accordance with this section.

(2) Area may be excluded from a city by a reduction of boundaries only if:

(a) The area does not need urban governmental services, or it can better obtain those services from another source;

(b) The reduction will not result in a substantial economic waste of the city's facilities in the area; and

(c) The retention of the area is not essential to the continued prosperity of the city or the reduction would best serve the needs and interests of the community as a whole with respect to government in urban territory.

(3) If following the publication of a reduction ordinance under the authority of Section 4 of this Act, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be reduced oppose the reduction ordinance, an election shall be held in accordance with the provisions of Section 10 of this Act.

SECTION 13. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Whenever the limits of a city are enlarged or reduced, the city shall cause an accurate map of the annexed or severed area with a metes and bounds description, together with a copy of the ordinance duly certified, to be recorded in the office of the county clerk of the county or counties in which the city is located and in the office of the secretary of state.

SECTION 14. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The provisions of this Act shall apply in any annexation proceeding in which the annexing city has not adopted a final annexation ordinance by the effective date of this Act.

SECTION 15. The following sections of the KRS are repealed:

81.100 Annexation of unincorporated territory or reduction of territory by first-class city.

81.110 Protest against annexation of unincorporated territory or reduction of territory by first-class city — Trial — Judgment.

81.140 Annexation of unincorporated territory or reduction of territory by second-class city.

81.145 Election on annexation of unincorporated territory by a city of the second class in a county containing a city of the second and third class.

81.180 Second-class city to divide annexed territory into wards — Right of electors in annexed territory.

81.190 Annexation or reduction of territory by third-class city.

81.210 Annexation or reduction of territory by fourth-class city.

81.220 Protest against annexation by fourth-class city — Trial — Judgment.

81.230 Annexation or reduction of territory by fifth-class city.

81.240 Annexation or reduction of territory by sixth-class city.

81.250 Fifth or sixth-class city takes over rights and liabilities of city annexed.

81.260 Liability of property owners in territory annexed to sixth-class city for debts of city incurred before annexation.

81.270 Resubmission of proposal for annexation or reduction by city of any class when first proposal is denied by court or defeated by voters.

81.296 Publication of ordinance."

Floor Amendment No. 1 to **HB 707,** by Representative White:

Amend printed copy of **HB 708,** page 3, line 14, insert the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

Any insurance company shall be liable for the acts of its agents when the agents are acting in their capacity as representatives of the insurance company."

Floor Amendment No. 1 to **SB 32,** by Representative Van Horn:

Amend printed copy of **SB 32,** page 1, after line 16, insert the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

Any insurance company shall be liable for the acts of its agents when the agents are acting in their capacity as representatives of the insurance company."

Floor Amendment No. 2 to **HB 972,** by Representative Patrick:

Amend printed copy of **HB 972,** page 11, after line 18 insert the following:

"SECTION 6. A NEW SECTION OF CHAPTER 243 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby levied a tax on the privilege of dispensing liquor, beer, and wine by the drink as follows:

(a) Twenty cents (20¢) per ounce on distilled spirits containing at least thrity percent (30%) alcohol;

(b) One-half one one cent (½¢) per ounce on beer and wine.

(2) Sixty percent (60%) of the proceeds collected from the tax levied in subsection (1) shall be appropriated to the School Foundation Program to be used for the sole purpose of granting an across-the-board raise to all teachers in the Commonwealth.

(3) Twenty percent (20%) of the proceeds collected from the tax levied in subsection (1) shall go for capital outlay for education.

(4) Twenty percent (20%) of the proceeds collected from the tax levied in subsection (1) shall be appropriated for teachers retirement.

(5) In no case shall the proceeds of the tax levied in subsection (1) be deemed to reduce any appropriations for education made in the executive budget."

Floor Amendment No. 55 to the Committee Substitute to **HB 532,** by Representative Cyrus:

Amend printed copy of House Committee Substitute for **HB 532,** delete "Section 18" in its entirety by deleting the following:

page 43, lines 13 through 26; pages 44 through 52, lines 1 through 26 on each page; and page 53, lines 1 through 17; and insert the following new section in lieu thereof:

"SECTION 18. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) The board shall review all previous awards or orders granting or awarding disability benefits, commencing such review ninety (90) days prior to the fifth anniversary date of the last award or order granting the entitlement to disability benefits. Review under this subsection shall be made by the board after notice has been given to the interested parties and said review shall not affect the previous order or award as to any sums already paid thereunder. However, benefit payments shall not be suspended during the pendency of such reopening procedure. In no event shall awards for weekly benefits for permanent partial disability extend beyond the employe's 65th birthday, unless the employe has received less than five years of benefits.

(2) Where the board, after the review, modifies a disability benefit award previously entered, said modification is limited to consideration of an increase, continuation of the same award, decrease, or discontinuation of disability benefits."

Floor Amendment No. 56 to the Committee Substitute to **HB 532,** by Representative Cyrus:

Amend printed copy of House Committee Substitute for **HB 532,** delete "Section 18" in its entirety by deleting the following:

page 43, lines 13 through 26; pages 44 through 52, lines 1 through 26 on each page; and page 53, lines 1 through 17; and insert the following new section in lieu thereof:

"SECTION 18. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) The board shall review all previous awards or orders granting or awarding disability benefits, commencing such review ninety (90) days prior to the third anniversary date of the last award or order granting the entitlement to disability benefits. Review under this subsection shall be made by the board after notice has been given to the interested parties and said review shall not affect the previous order or award as to any sums already paid thereunder. However, benefit payments shall not be suspended during the pendency of such reopening procedure. In no event shall awards for weekly benefits for permanent partial disability extend beyond the employe's 65th birthday, unless the employe has received less than five years of benefits.

(2) Where the board, after the review, modifies a disability benefit award previously entered, said modification is limited to consideration of an increase, continuation of the same award, decrease, or discontinuation of disability benefits."

Floor Amendment No. 57 to the Committee Substitute to **HB 532,** by Representative Stumbo:

Amend printed copy of House Committee Substitute for **HB 532,** delete "Section 18" in its entirety by deleting the following:

page 43, lines 13 through 26; pages 44 through 52, lines 1 through 26 on each page; and page 53, lines 1 through 17; and insert the following new section in lieu thereof:

"SECTION 18. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) The board shall review all previous awards or orders granting or awarding disability benefits, commencing such review ninety (90) days prior to the tenth anniversary date of the last award or order granting the entitlement to disability benefits. Review under this subsection shall be made by the board after notice has been given to the interested parties and said review shall not affect the previous order or award as to any sums already paid thereunder. However, benefit payments shall not be suspended during the pendency of such reopening procedure. In no event shall awards for weekly benefits for permanent partial disability extend beyond the employe's 65th birthday, unless the employe has received less than five years of benefits.

(2) Where the board, after the review, modifies a disability benefit award previously entered, said modification is limited to consideration of an increase, continuation of the same award, decrease, or discontinuation of disability benefits."

Representative B. Richardson moved that the rules be suspended for Introduction of Resolutions and Report of Committees. Agreed.

Introduction of Resolution

HCR 126 by Representatives Cawood and Deskins: A CONCURRENT RESOLUTION directing the formation of a special interim committee to propose policy and recommend legislation for the development of power plants in the Commonwealth's coal producing regions to the 1982 General Assembly.

Posting of Bills and Resolutions for Considerations

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

State Government: **SB 292, HB 740, SB 290, HR 116.**

Judiciary: **HB 132, SB 100, SB 305, SB 251, SB 362, SB 326, SB 288.**

Natural Resources and Environment: **SJR 48, SB 333, SB 192, SB 257.**

Appropriations and Revenue: **SB 339.**

Report of Committees

The Committee on Rules reported **HB 859, HB 676, HB 682, HB 779, HB 823, HB 860, HB 245, HB 652, HB 672, HB 675, HB 692, HB 699, HB 700, HB 707, HB 715, HB 733, HB 747, HB 763, HB 802, HB 833, HB 834, HB 835, HB 842, HB 855, HB 856, HB 952, SB 10, SB 32, SB 44, SB 125,** and **HB 597** have been posted for passage in Orders of the Day, March 21, 1980.

The Committee on Rules reported **HB 954** has been posted for passage in Consent Orders of the Day for March 21, 1980.

The Committee on Rules reported **HB 841** has been recommitted to the Committee on State Government.

The Committee on Judiciary reported **HB 974** with Committee Substitute attached thereto, **HB 573** with Committee Substitute attached thereto, **SB 249** with CommitteeSubstitute attached thereto, and **SB 141** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 974, AN ACT relating to guardians, conservators and mentally disabled persons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) It is the intent and purpose of the General Assembly to recognize that disabled persons have varying degrees of disability.

(2) Persons who are only partially disabled must be legally protected without a determination of total incompetency and without the attendant deprivation of civil and legal rights that such a determination requires.

(3) Guardianship and conservatorship for disabled persons shall be utilized only as is necessary to promote their well-being, including protection from neglect, exploitation, and abuse; shall be designed to encourage the development of maximum self-reliance and independence in each person; and shall be ordered only to the extent necessitated by each person's actual mental and adaptive limitations.

(4) If the court determines that some form of guardianship or conservatorship is necessary, partial guardianship or partial conservatorship shall be the preferred form of protection and assistance for a disabled person.

SECTION 2. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context otherwise requires:

(1) "Conservator" means an individual, agency, or corporation appointed by the court to manage the financial resources of a disabled person.

(2) "Limited conservator" means an individual, agency, or corporation appointed by the court to assist in managing the financial resources of a partially disabled person and whose rights, duties, and powers have been specifically enumerated by court order.

(3) "Development disability" shall be defined as provided in Public Law 94-103, or as amended.

(4) "Disabled" means a legal, not a medical disability, and is measured by functional inabilities. It refers to any person fourteen (14) years of age or older who is:

(a) Unable to make informed decisions with respect to his personal affairs to such an extent that there is a risk that he will substantially endanger his physical safety or health by conduct demonstrating danger to self or by failure to provide adequate medical care, food, clothing, or shelter; or

(b) Unable to manage his property effectively to such an extent that there is a risk the property will be wasted or dissipated unless proper management is provided.

Such inability shall be evidenced by acts or occurrences within six (6) months prior to the filing of the petition for guardianship or conservatorship and shall not be evidenced solely by isolated instances of negligence, improvidence, or other behavior.

(5) "Partially disabled" refers to an individual whose ability to manage his personal or financial affairs is impaired to the extent that he needs protection or assistance, but who cannot be found to be fully disabled as provided in subsection (4) of this section.

(6) "Guardian" means a person appointed by the court to have full care, custody, and control of a disabled person. One person may be appointed as guardian with the powers of a conservator.

(7) "Limited guardian" means a guardian who possesses fewer than all of the legal powers and duties of a full guardian, and whose powers and duties have been specifically enumerated by court order.

(8) "Mentally ill person" means a person with substantially impaired capacity to use self-control, judgment, or discretion in the conduct of his affairs and social relations, associated with maladaptive behavior or recognized emotional symptoms where impaired capacity, maladaptive behavior, or emotional symptoms can be related to physiological, psychological, or social factors.

(9) "Interdisciplinary evaluation report" means an evaluation of a respondent performed to determine whether he is partially disabled or disabled as defined in this Act. Each interdisciplinary evaluation report shall be compiled by at least three (3) individuals, including: (a) a physician, (b) a social worker

with a graduate degree in social work, and (c) a psychologist licensed under the provisions of KRS Chapter 319. At least one (1) person participating in the compilation of the report shall have knowledge of the particular disability which the respondent is alleged to have or knowledge of the skills required of the respondent to care for himself and his estate as provided in this Act.

If the respondent is alleged to be partially disabled or disabled due to mental illness, the social worker and psychologist participating in the compilation of the interdisciplinary evaluation report shall be qualified mental health professionals as defined in KRS 202A.010(10). If the respondent is alleged to be partially disabled or disabled due to mental retardation, the social worker and psychologist participating in the compilation of the evaluation report shall be qualified mental retardation professionals as defined in KRS 202B.010(3).

(10) "Plaintiff" means the Commonwealth of Kentucky.

(11) "Respondent" means an individual alleged in a hearing under this Act to be a partially disabled or disabled person.

(12) "Ward" means a person for whom a limited guardian, guardian, limited conservator, or conservator has been appointed.

(13) "Committee" means a person appointed by the court prior to the enactment of this Act to act as guardian of the person and the estate of a disabled adult.

(14) "Curator" means a person appointed by the court to manage the financial resources of an adult who has not been determined to be disabled or partially disabled.

SECTION 3. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) The district courts shall have exclusive jurisdiction over all proceedings involving a determination of partial disability or disabiilty, the modification of orders, the appointment and removal of guardians and conservators, and the management and settlement of their accounts.

(2) The venue for all proceedings under this Act shall be in the county where the respondent or ward resides. If the respondent or ward is a resident of a long-term care facility as defined in KRS 216.510(1), or a psychiatric hospital, or a boarding home, or a group home, venue shall lie in the county wherein that facility is located or the county of domicile, or the county wherein the parent of the respondent or ward is domiciled if the respondent or ward is a minor. Nothing in this section shall preclude transfer of venue for good cause shown.

(3) If respondent or ward is not a resident of this state, the venue shall be in any county where property of that person is located.

(4) An appeal from a final judgment or order made and entered in proceedings under this Act shall be taken in the same manner as other appeals from district court to circuit court by the respondent, ward, or by any person interested in the person or estate of the respondent or ward. Such appeal shall be advanced on the circuit court docket without motion or notice.

SECTION 4. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A petition for the appointment of a limited guardian, guardian, limited conservator, or conservator for an individual who is alleged to be disabled or partially disabled may be filed by any interested person or entity or by the individual needing guardianship or conservatorship. The petition shall set forth the following:

(a) The relationship and interest of the petitioner;

(b) The name and place of residence of the respondent;

(c) The date of birth of the respondent, if known;

(d) The nature and degree of the alleged disability of the respondent;

(e) The facts and reasons supporting the need for guardianship or conservatorship;

(f) The names and addresses of the respondent's next of kin, if known to the petitioner or reasonably ascertainable;

(g) A description and approximation of the value of the respondent's financial resources, including government benefits, insurance entitlements, and anticipated yearly income, if known; and

(h) The name, address, qualifications, and relationship, if any, to the respondent, of the individual proposed for appointment as limited guardian, guardian, limited conservator, or conservator.

(2) Prior to a hearing on a petition for the appointment of a limited guardian, guardian, limited conservator, or conservator, there shall be filed with the court an interdisciplinary evaluation report which contains:

(a) A description of the nature and extent of the respondent's disabilities;

(b) Current evaluations of the respondent's social, intellectual, physical, and educational condition, adaptive behavior, and social skills. Such evaluations may be based on prior evaluations not more than three (3) months old, except that evaluations of the respondent's intellectual condition may be based on individual intelligence test scores not more than one (1) year old.

(c) An opinion as to whether guardianship or conservatorship is needed, the type of guardianship or conservatorship needed, if any, and the reasons therefor;

(d) An opinion as to the length of time guardianship or conservatorship will be needed by the respondent, if at all, and the reasons therefor;

(e) If limited guardianship or conservatorship is recommended, a further recommendation as to the scope of the guardianship or conservatorship, specifying particularly the rights to be limited and the corresponding responsibilities of the limited guardian or limited conservator;

(f) A description of the social, educational, medical, and rehabilitative services currently being utilized by the respondent, if any;

(g) A determination whether alternatives to guardianship or conservatorship are available;

(h) A recommendation as to the most appropriate treatment or habilitation plan and living arrangement for the respondent and the reasons therefor;

(i) A listing of all medications the respondent is receiving, the dosage, and a description of the impact of the medication upon the respondent's mental and physical condition and behavior;

(j) A determination as to whether the attendance of the respondent at a hearing on a petition filed under this Act would subject him to serious risk of physical or emotional harm;

(k) The names and addresses of all individuals who examined, interviewed, or participated in the evaluation of the respondent; and

(l) Any dissenting opinions or other comments by the evaluators.

The evaluation report may be compiled by a community mental health - mental retardation center, or a long-term care facility as defined in KRS 216.510(1), or a psychiatric hospital, if the respondent is a resident of such facility, or a similar agency.

(3) In all cases where the respondent is a resident of a long-term care facility or a psychiatric hospital, and the petition is filed by an employe of that facility, the petition shall be accompanied by an interdisciplinary evaluation report.

(4) If no evaluation report accompanies the petition, the court shall order appropriate evaluations to be performed by qualified persons or a qualified agency. The report shall be prepared and filed with the court and copies mailed to the petitioner, respondent, and their attorneys at least twenty (20) days prior to the hearing. All items specified in subsection (a) above shall be included in the report.

(5) The court shall order payment for evaluation of respondents by the plaintiff in an amount which is reasonable as determined by the court, except the court shall not be required to provide for the payment of a fee to any salaried employe of a state agency. Additionally, no payment shall be required of the plaintiff for an evaluation performed by a salaried employe of a community mental health - mental retardation center or private facility or agency where the costs incurred by the center, facility or agency are reimburseable through third party payors. Affidavits or other competent evidence are admissible to prove the services rendered, but not to prove their value.

(6) The respondent may file a response to the evaluation report submitted to the court no later than five (5) days prior to the scheduled date of the hearing.

(7) The respondent may secure an independent evaluation. If the respondent is unable to pay for such evaluation, compensation for the independent evaluation may be paid by the court in an amount which is reasonable as determined by the court.

SECTION 5. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) if the petition is accompanied by an interdisciplinary evaluation report when filed, the court shall fix a date and a place for a hearing to be held within thirty (30) days after the filing of the petition. If no interdisciplinary evaluation report accompanies the petition when filed, the court shall fix a date and a place for a hearing to be held within sixty (60) days after the filing of the petition.

(2) Notice of the time and place of the hearing shall be given not less than fourteen (14) days prior to the hearing to:

(a) The petitioner;

(b) The respondent;

(c) The attorneys for both parties;

(d) The respondent's next of kin;

(e) The person with whom the respondent resides, or to the facility director if the respondent resides in a facility for mentally ill or developmentally disabled persons; and

(f) The individual proposed for appointment as limited guardian, guardian, limited conservator, or conservator.

SECTION 6. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) Unless an appearance has been entered on behalf of the respondent, the court shall appoint counsel for the respondent within forty-eight (48) hours of the filing of a petition under this Act.

(2) The respondent shall pay the costs of legal counsel; however, if the respondent is unable to pay for such representation, the court shall provide counsel as provided in KRS 453.190. The court shall compensate appointed counsel from court funds in an amount which is reasonable and based upon time and expenses. Affidavits are admissible to prove the services rendered, but not to prove their value. If the petition is found to be frivolous or not brought in good faith, counsel fees shall be charged to the petitioner.

(3) In all proceedings under this Act, it shall be the duty of the county attorney to assist the petitioner and represent the interest of the Commonwealth and to assist the court in its inquiry by the presentation of evidence.

SECTION 7. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

The duties of counsel for a respondent shall include a personal interview with the respondent prior to the hearing date to make a reasonable effort to inform him of:

(1) The contents of the petition;

(2) The nature, purpose and legal effects of the proceedings;

(3) The duties of counsel during the proceedings;

(4) The respondent's right to oppose the proceedings and his right to a jury trial;

(5) The respondent's right to attend the hearing and to present evidence; and

(6) Any available alternative resources or causes of action.

SECTION 8. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) At a hearing convened pursuant to this Act for the purpose of determining the disability of a respondent, the respondent shall have a jury trial and shall have the right to present evidence and to confront and cross-examine all witnesses.

(2) The hearing may be closed to the public on request of the respondent or his counsel.

(3) The respondent shall be present at the hearing, and his presence may be waived only upon a determination of the interdisciplinary evaluation team that his attendance would subject him to serious risk of physical or emotional harm. Such determination shall be evidence only of the respondent's physical or emotional inability to attend the hearing and shall not be considered in determining the need for guardianship or conservatorship.

(4) The court may remove itself to the place of residence of the respondent to conduct the hearing in the presence of the respondent.

(5) The burden of proof shall be on the plaintiff to prove the allegations of disability or partial disability by competent evidence and to establish such proof beyond a reasonable doubt.

(6) A limited guardian, guardian, limited conservator, or conservator shall not be appointed unless at least one (1) of the persons who participated in the interdisciplinary evaluation required by this chapter testifies in person at the hearing. This section shall not be interpreted to preclude the respondent from requiring the testimony of more than one (1) person participating in the preparation of the evaluation report.

SECTION 9. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) The court, at a hearing convened under this Act for the appointment of a limited guardian, guardian, limited conservator, or conservator, shall:

(a) Inquire into the nature and extent of the general intellectual functioning of the respondent;

(b) Inquire into the respondent's capacity to care for himself and his estate;

(c) Determine whether the respondent is disabled, partially disabled, or has no disability in relation to the management of his financial affairs;

(d) Determine whether the respondent is disabled, partially disabled, or has no disability in relation to the management of his personal affairs;

(e) Dismiss the petition if the respondent is found not to be a disabled or partially disabled person.

(2) If the respondent is found to be disabled or partially disabled beyond a reasonable doubt, the court shall immediately, without a jury, determine:

(a) The type of guardian or conservator to be appointed;

(b) The specific legal disabilities to which the respondent is subject, if the respondent has been determined to be partially disabled;

(c) The corresponding powers and duties of the limited guardian or limited conservator, if the respondent has been determined to be partially disabled;

(d) The individual or agency to be appointed by the court as limited guardian, guardian, limited conservator, or conservator;

(e) The duration of the term of guardianship or conservatorship.

(3) The court shall make findings of fact on the record regarding the matters specified in subsections (1) and (2) of this section.

SECTION 10. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) If it is found beyond a reasonable doubt that the respondent is partially disabled in managing his personal affairs, but not disabled or partially disabled in managing his financial affairs, a limited guardian shall be appointed.

(2) If it is found beyond a reasonable doubt that the respondent is partially disabled in managing his financial affairs, but not disabled or partially disabled in managing his personal affairs, a limited conservator shall be appointed.

(3) If it is found beyond a reasonable doubt that the respondent is partially disabled in managing both his personal and financial affairs, the court shall appoint a limited guardian, unless the court considers it in the best interest of the ward to appoint both a limited guardian and a limited conservator.

(4) If it is found beyond a reasonable doubt that the respondent is totally without capacity to manage his financial affairs, but is not disabled or partially disabled in managing his personal affairs, the court shall appoint a conservator to manage the financial resources of the ward.

(5) If it is found beyond a reasonable doubt that the respondent is disabled in managing both his personal and financial affairs, the court shall appoint a guardian with all of the powers and duties of a conservator, unless the court considers it in the best interest of the ward to appoint both a guardian and a conservator. Appointment of a guardian with all of the powers and duties of a conservator shall be the preferred form of protection and assistance for a disabled person.

(6) The order of appointment of a limited guardian, guardian, limited conservator, or conservator shall specify:

(a) The type of guardianship or conservatorship to which the ward is subject;

(b) The name and address of the limited guardian, guardian, limited conservator, or conservator;

(c) The name and address of the standby guardian, if a standby guardian is appointed pursuant to this Act;

(d) The specific legal disabilities to which the respondent is subject, if the respondent has been determined to be partially disabled;

(e) The corresponding powers and duties of the limited guardian or limited conservator, if the respondent has been determined to be partially disabled;

(f) The duration of the term of guardianship or conservatorship.

(7) A limited guardian or limited conservator shall not be appointed for a term greater than five (5) years and may be appointed for a lesser period. A guardian or conservator may be appointed for a period of unlimited duration.

(8) At the expiration of the term of guardianship or conservatorship a new petition for guardianship or conservatorship may be filed pursuant to this Act.

(9) The order of appointment shall be filed in the district court and with the state central registry provided for in Section 13 of this Act. A certified copy of the order of appointment shall be issued to the limited guardian, guardian, limited conservator, or conservator. Copies of the appointment shall be mailed to the ward, the ward's counsel, the petitioner, the director of any facility in which the ward resides, and the relatives of the ward whose names and addresses appear on the petition.

(10) If the respondent is determined to be disabled or partially disabled but no guardian or conservator is appointed at the hearing, the determination shall have no legal effect until such appointment is made. Appointment of a limited guardian, guardian, limited conservator or conservator shall be made no later than sixty (60) days following the determination.

(11) The rights of which a ward is legally deprived upon appointment of a guardian with all of the powers and duties of a conservator include, but are not limited to, the right to vote, dispose of property, execute instruments, make purchases, enter into contractual relationships, determine his living arrangements, consent to medical procedures, and obtain a motor vehicle operator's license.

(12) A partially disabled or disabled person for whom a limited guardian, limited conservator, or conservator has been appointed retains all legal and civil rights except those which have by court order been designated as legal disabilities or which have been specifically granted to the limited guardian, limited conservator, or conservator. A ward who is partially disabled may be subject to some but not all of the disabilities specified in subsection (11) of this section.

SECTION 11. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) The court may appoint as limited guardian, guardian, limited conservator, or conservator any suitable person or any entity, public or private, capable of conducting an active guardianship or conservatorship program. The court shall not ordinarily or customarily appoint the department for human resources or any other entity, public or private, that is directly providing services to the respondent, unless no other suitable person or entity is available and willing to be appointed. In such case, the department for human resources may, upon application, be appointed as limited guardian, guardian, limited conservator, or conservator pursuant to KRS 210.290.

(2) A written application under oath shall be filed with the court prior to the appointment by any person or entity desiring appointment, stating the name, address, qualifications and relationship of the applicant to the respondent.

(3) Before the appointment, the court shall make a reasonable effort to question the respondent concerning his preference regarding the person to be appointed limited guardian, guardian, limited conservator, or conservator, and any preference indicated shall be given due consideration. The court shall appoint the person or entity best qualified and willing to serve.

SECTION 12. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A guardian, limited guardian, limited conservator, or conservator appointed pursuant to this Act may be discharged, or have his duties modified, when the ward's capacity to perform the tasks necessary for the care of his person or the management of his estate have changed so as to warrant such modification or discharge, or when the limited guardian, guardian, limited conservator, or conservator has failed or is unable to perform his duties adequately. The ward, limited guardian, guardian, limited conservator, or conservator or any interested person on behalf of the ward may petition the court for a discharge or modification order.

(2) A request under subsection (1) of this section, if made by the ward, may be communicated to the court by any means, including but not limited to oral communication or informal letter.

(3). Upon receipt of a petition filed pursuant to this section, the court shall inquire into the facts within ten (10) days. The court may, with or without a hearing, dismiss the petition for good cause shown or alter the specifications of the original order in the following manner:

(a) Dissolve the original order;

(b) Remove the limited guardian, guardian, limited conservator, or conservator and appoint a successor;

(c) Remove the guardian or conservator and appoint a limited guardian or conservator; or

(d) Make any other order which the court deems appropriate and in the best interest of the ward.

(4) Prior to reviewing the petition for discharge or modification, the court may order that an interdisciplinary evaluation be performed following the same procedures as are specified in subsection (2) of Section 4 of this Act. The time period in which the court must review a petition may be extended for an appropriate period of time if an evaluation is ordered by the court.

(5) If the original order is dissolved and no further order is issued, the ward shall be relieved of all legal disabilities. The court shall enter an order and judgment restoring to the person all of the rights and privileges of a citizen.

(6) The clerk of the court shall transmit a certified copy of the restoration judgment or modification to the state central registry provided for in Section 13 of this Act and to the originating court, if the judgment or modification is ordered by a court other than the court in which the person was declared partially disabled, disabled, or incompetent prior to the effective date of this Act.

SECTION 13. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

The department for human resources shall create and maintain a statewide central registry for registration of all determinations of partial disability or disability, modifications of orders, and the appointment and termination of limited guardians, guardians, limited conservators, and conservators.

SECTION 14. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) Any person appointed committee for an incompetent adult prior to the effective date of this Act shall assume the duties of a guardian with powers of a conservator and shall be subject to all of the provisions of this Act pertaining to guardians and conservators, including all reporting requirements. The title of such committee shall be guardian. The committee shall, within one (1) year from the effective date of this Act, petition for modification of the original order if a less restrictive guardianship or conservatorship would be more appropriate.

(2) In all instances where an adjudication of incompetency was entered prior to the effective date of this Act and no committee has been appointed, the order of incompetency shall be considered null and void if no guardian or conservator is appointed within ninety (90) days of the effective date of this Act.

SECTION 15. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

It shall be the general duty of the limited guardian or guardian to carry out diligently and in good faith the specific duties and powers assigned by the court and to:

(1) Assure that the personal, civil, and human rights of the ward are protected; and

(2) Encourage the ward to:

(a) Participate to the maximum extent of his abilities in all decisions which affect him;

(b) Act in his own behalf on all matters in which he is able to do so; and

(c) Develop or regain, to the maximum extent possible, his capacity to meet the essential requirements for his physical health or safety, and, if impaired, his capacity to manage their financial resources.

SECTION 16. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

The court may assign to a limited guardian any portion of the powers and duties specified in Section 17 of this Act for those particular areas in which the ward is impaired or incapacitated in his abilities to meet the essential requirements for his physical health or safety. The court may assign other duties as are necessary to enhance the ward's safety and well being. A limited guardian shall comply with the reporting requirements specified by Section 18 of this Act which pertain to his powers and duties as specified by the court, provided that all reports submitted shall encompass the provisions of paragraphs (d) and (e) of Section 18(1).

SECTION 17. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

A guardian of a ward shall have the following powers and duties, except as modified by order of the court:

(1) To take custody of the ward and to establish his place of abode within the state, except that, if at any time a guardian places a ward in a licensed residential facility for developmentally disabled persons, the guardian shall, within thirty (30) days of such placement, file with the court notice of the placement, stating specifically the reasons for such placement, and an interdisciplinary evaluation report detailing the social, psychological, medical or other considerations on which such placement is predicated, a description of the treatment of habilitation programs which will benefit the ward as a result of such placement, and a determination that such placement will provide appropriate treatment in the least restrictive available treatment and residential program. For purposes of this subsection, the interdisciplinary evaluation report may be one performed within two (2) months prior to the placement for purposes of determining whether such placement is necessary and appropriate, or may be an evaluation and assessment provided by the residential facility immediately after placement.

(2) To make provision for the ward's care, comfort, and maintenance and arrange for such training, educational, social, vocational, and rehabilitation services as are appropriate and as will assist the ward in the development of maximum self-reliance and independence;

(3) To give any necessary consent or approval to enable the ward to receive medical or other professional care, counsel, treatment or service, except that a guardian may not consent on behalf of a ward to an abortion, sterilization, psychosurgery, removal of a bodily organ or amputation of a limb, unless the procedure is first approved by order of the court or is necessary to preserve the life or prevent serious impairment of the physical health of the ward.

(4) To act with respect to the ward in a manner which limits the deprivation of civil rights and restricts his personal freedom only to the extent necessary to provide needed care and services to him;

(5) To expend sums from the financial resources of the ward to cover the reasonable costs incurred on behalf of that person. The guardian may assist in managing or manage the financial resources of the ward consistent with the provisions governing conservators and limited conservators if specifically authorized to do so by the court. If a separate limited conservator or conservator has been appointed for the ward, the expenditure of funds by the guardian shall be consistent with the duties assigned to and procedures and policies established by such limited conservator or conservator. Conflicts arising between a guardian and a conservator regarding the expenditure of funds which are unable to be otherwise resolved shall be submitted to the court for resolution.

SECTION 18. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A guardian shall file with the court at intervals indicated by the court, but not less often than annually, a report stating:

(a) The ward's current mental, physical, and social condition;

(b) The address of every residence of the ward during the reporting period and length of stay at each residence;

(c) A summary of the medical, educational, vocational, and other professional services received by the ward during the reporting period;

(d) An outline of the guardian's visits with him and activities on behalf of the ward;

(e) An accounting of all financial transactions made by the guardian involving the ward's estate, including monies disbursed and expenditures made;

(f) A recommendation as to the need for continued guardianship;

(g) A statement signed by the standby guardian, if any has been appointed, that the standby guardian continues to be willing to serve in the event of death, incapacity, or resignation of the guardian; and

(h) Other information requested by the court or useful in the opinion of the guardian.

(2) For the purpose of filing the report required by subsection (1) of this section the guardian shall be given access to information, reports and records pertaining to the ward from facilities, community health boards or agencies, or other suitable persons or agencies necessary for the guardian to perform his duties.

(3) The court shall review the report required in subsection (1) of this section and take whatever action it considers necessary to enhance the well-being of the ward.

SECTION 19. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

It shall be the general duty of the limited conservator or conservator to carry out, diligently and in good faith, the specific duties and powers assigned by the court and to:

(1) Manage or assist in managing those financial resources placed under their supervision or control as would a prudent person managing his own resources and, if a conservator has special skills or is named conservator on the basis of representations of special skills or expertise, he shall use those skills; and

(2) Encourage the ward to:

(a) Participate, to the maximum extent of his abilities, in all decisions which affect him;

(b) Act on his own behalf on all matters in which he is able to do so; and

(c) Develop or regain, to the maximum extent possible, his capacity to manage his financial resources and, if impaired, his capacity to meet the essential requirements for his physical health or safety.

(3) Within sixty (60) days of appointment, the limited conservator or conservator shall file with the court a verified inventory of all the property of the ward which has come to his possession or knowledge, including a statement of all encumbrances, liens, and other secured charges on any item, any claims against the state of the ward, and of any cause of action accruing to the ward. The limited conservator or conservator shall provide a copy thereof to the ward, if he has sufficient mental capacity to understand it, and to any parent or guardian with whom the ward resides.

SECTION 20. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A limited conservator or conservator shall expend or distribute, or authorize the expenditure or distribution of, or assist in the expenditure or distribution of, the principal or income from the financial resources placed under his supervision and control to assure that:

(a) The essential requirements for the physical health or safety of the ward are met;

(b) The rights of the ward are protected;

(c) The financial resources of the ward which are subject to the conservatorship are prudently managed;

(d) The ward has the opportunity to develop or regain the capacity to perform the functions listed in paragraphs (a), (b), and (c) of subsection (1) of this section; and

(e) The limited guardian or guardian for the ward, if any, is able to carry out the duties and powers assigned to him by the court.

(2) In performing his duties, the limited conservator or conservator shall consider:

(a) The requests of the ward and the ward's limited guardian or guardian, if any;

(b) The size of the financial resources under the limited conservator's or conservator's supervision or control;

(c) The probable duration of the conservatorship;

(d) The likelihood that the ward may be able to manage his financial resources in the future;

(e) The accustomed standard of living of the ward; and

(f) Other funds or resources used for the support of the ward which have not been placed under the control or supervision of the limited conservator or conservator.

(3) In addition to the duties and powers listed in subsection (1) of this section, the court may assign to a limited conservator any of the duties and powers listed in Section 21 of this Act which the partially disabled person lacks the ability to perform. A limited conservator shall comply with the reporting requirements of Sections 19 and 22 of this Act.

SECTION 21. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A conservator has all of the powers conferred herein and any additional powers conferred by law on trustees in this state. The conservator may take possession of all of the ward's real and personal property, and of all rents, incomes, and benefits therefrom, whether accruing before or after his appointment, and of the proceeds arising from the sale, mortgate, lease or exchange thereof. Subject to such possession the title of all such estate and to the increment and proceeds thereof shall be to the ward and not to the conservator. It is the duty of the conservator to protect and preserve the estate, to retain, sell and invest it as hereinafter provided, prosecute or defend actions, claims or proceedings in any jurisdiction for the protection of the estate's assets, to account for it faithfully, to perform all other duties required by him by law, and, at the termination of the conservatorship, to deliver the assets of the ward to the persons lawfully entitled thereto.

(2) The conservator shall apply the money and property for the payments of debts, taxes, claims, charges and expenses of the conservatorship and for the support, care, maintenance and education of the ward or his dependents.

(3) Any sale of realty of a ward shall be as provided in KRS Chapter 389.

SECTION 22. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A conservator shall file a report and account annually under oath with the court within sixty (60) days after the anniversary date of his appointment. Said report shall contain:

(a) The present personal status of the ward whose estate is managed by the conservator;

(b) The conservator's plan for preserving and maintaining the estate of which he has control or supervision;

(c) The need for continuation or cessation of the conservatorship; and

(d) The need for any alteration in the powers of the conservatorship.

The annual report shall specify the amount and type of real and personal property received by the conservator and remaining in his control or invested by him, the nature of such investment, and his receipts of monies disbursed and expenditures during the preceding year. Upon request of the court, the conservator shall produce for examination any information or documentation which the court may consider relevant to the accounting of the financial and property transactions of the estate.

(2) A limited conservator or conservator shall also submit a report to the court when:

(a) There is a significant change in the capacity of the ward to manage his financial resources;

(b) The limited conservator or conservator resigns or is removed;

(c) The conservatorship is terminated; or

(d) The court orders additional reports to be filed.

SECTION 23. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

The court may require a limited conservator or conservator to furnish a bond, with a surety satisfactory to the court, for the faithful discharge of all duties and powers assigned in the dispositional order or any modification thereof. The court may accept, in lieu of sureties on a bond, other security for the performance of the bond, including a pledge of securities or a mortgage of land. A bond without sureties may be given if the gross value of the estate of the ward does not exceed twenty-five hundred dollars ($2500).

SECTION 24. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A parent, spouse or child of a partially disabled or disabled person who has been appointed as limited guardian, guardian, limited conservator, or conservator of that person may, by will, designate an individual to succeed in that capacity upon the testator's death, providing that the testator is serving in that capacity at the time of his death. The testamentary appointment becomes effective upon the filing of the guardian's acceptance in the court in which the will is probated if, before acceptance, both parents are dead or the surviving parent is adjudged disabled. Upon acceptance of the appointment, written notice of acceptance must be given by the guardian to the ward or his nearest adult relative.

(2) The testamentary guardian shall possess the powers of the initially appointed guardian, shall be entitled to receive upon request a copy of the court order creating or modifying the initial guardianship, and shall serve subject to the power of the court which appointed the initial guardian to reduce the scope of the guardianship authority or to dismiss a guardian. If the will appointing a testamentary guardian is determined to be invalid, the court, in considering who shall be appointed guardian, shall give preference to the testamentary nominee.

SECTION 25. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) The court may exercise the powers of a limited guardian or limited conservator or may appoint an individual or agency to exercise such powers if, during the pendency of a proceeding initiated under this Act, it appears that there is danger of serious impairment to the health or safety of the respondent or damage or dissipation to his property if immediate action is not taken.

(2) If the court exercises the powers of a limited guardian or conservator or appoints another to do so in an emergency situation as set forth in subsection (1) of this section, the court shall state on the record findings of fact as to the danger determined to be imminent and the sources relied on in arriving at such determination. The court shall state specifically the type of assistance to be provided, the powers and duties of the temporary guardian, or conservator and the duration of his appointment.

(3) If the court, pursuant to subsection (1), exercises the powers of a guardian or conservator or appoints a temporary guardian or conservator pending an appeal or action in relation to the appointment of a guardian or conservator under this Act, a hearing shall be held within fourteen (14) days to determine whether the respondent is in need of additional services of a guardian or conservator for the respondent's welfare or protection during the pendency of the appeal or action. If the court determines beyond a reasonable doubt that a need exists, the court may appoint a temporary guardian or conservator whose powers

and duties shall be specifically enumerated by court order and whose authority shall expire upon resolution of the appeal or action.

(4) At a hearing held pursuant to either subsection (1) or (3) of this section, a respondent shall have all the rights and privileges otherwise available to a person subject to proceedings under this Act.

SECTION 26. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

On appointment of a limited guardian, guardian, limited conservator, or conservator, the court may designate another eligible individual or entity to assume the powers and duties assigned to the limited guardian, guardian, limited conservator, or conservator upon his resignation, death, or disability. The individual so designated shall file an acceptance with the court within ten (10) days of the resignation, death, or determination of legal disability of his predecessor. An individual serving on a standby basis may exercise all the duties and powers assigned to his predecessor upon filing of his acceptance, unless otherwise ordered by the court. In an emergency situation and in the absence and unavailability of the initially appointed guardian or conservator, the standby guardian or conservator may temporarily assume the powers and duties of the initially appointed guardian or conservator.

SECTION 27. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) No filing fees or court costs shall be charged to a respondent or ward in any proceeding under this Act, if the respondent or ward is a poor person as defined in KRS 453.190.

(2) Limited guardians, guardians, limited conservators and conservators are entitled to reasonable compensation for services rendered and to reimbursement for reasonable and necessary expenses incurred in the exercise of their assigned guardianship or conservatorship duties and powers. Such compensation and reimbursement shall be paid from the financial resources of the ward, except that such compensation and reimbursement shall not exceed that provided for in KRS 386.180.

SECTION 28. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) The court records of all proceedings under this Act shall be confidential and shall not be open to the general public except as provided in subsection (3) of this section.

(2) Following the dismissal or withdrawal of a petition filed under this chapter or a determination that a respondent is no longer disabled, the respondent may at any time move to have all court records pertaining to the proceedings expunged from the files of the court, provided that he submits a full release of all claims arising from the proceedings.

(3) Any person seeking to obtain confidential information contained in the court files or the court records of proceedings under this Act may file a written motion setting out the reason the information is needed. A district court judge may issue an order to disclose such information if he finds the disclosure appropriate under the circumstances and in the best interest of the person or the public. The court shall maintain a log of the individuals and entitles granted access to the file.

Section 29. KRS 23A.200 is amended to read as follows:

(1) The filing fee for a civil case in circuit court shall be seventy dollars ($70); however, there shall be no filing fee for proceedings for a writ of habeas corpus, proceedings under RCr 11.42, and mental health proceedings under KRS Chapters 202A, 202B and *387* [203]. The filing fee shall be paid to the clerk at the time the case is filed.

(2) Additional fees shall be charged in circuit court civil cases as follows:

(a)	Filing a third-party complaint	$10.00
(b)	Preparing a certification	1.00
(c)	Providing a copy of a document (per page)	.25
(d)	Issuing orders of attachment; executions; writ of possession after judgment	10.00
(e)	Issuing garnishments	2.00

(3) The additional fees required by subsection (2) of this section shall be paid to the clerk at the time the service is requested.

(4) Jury fees shall be assessed as costs and shall be paid to the clerk at the disposition of the action by the party against whom the costs have been assessed as follows:

(a)	For a jury of more than six (6) persons	$25.00
(b)	For a jury of six (6) persons	12.50

(5) The following fees shall be paid directly to the sheriff or other officer serving the process by the party requesting the service, at the time of the request as follows:

(a)	Service of process (per process)	$ 3.00

(b) Mileage for service of process (per mile) shall be paid at the prevailing rate applicable for state employes

(6) The cost incurred by the clerk in publishing a notice shall be paid by the party requesting the notice prior to the publication of the notice.

(7) The costs of an original deposition including appearance fees and mileage shall be assessed as costs.

(8) The court, in its discretion, may provide for the payment of additional costs in cases requiring extraordinary services.

Section 30. KRS 202A.030 is amended to read as follows:

(1) If a person in need of immediate care and treatment because of mental illness is present at, or is presented at, a hospital without a court order required for hospitalization under a procedure included in this chapter, *or* KRS Chapter [203 or] 210, two (2) authorized staff physicians, or one (1) authorized staff physician and one (1) qualified mental health professional, of the hospital may order admission of the individual for up to seventy-two (72) hours pending an application for a hearing as provided by the involuntary hospitalization procedures of this chapter, *or* KRS Chapter [203] 210. The physician may, at the time of such admission, initiate without delay any application for an emergency hospitalization order, or other involuntary hospitalization as provided by this chapter, *or* KRS Chapter [203 or] 210.

(2) The authorized staff personnel admitting the individual for involuntary hospitalization under the provisions of subsection (1) of this section must certify in the record of the individual that in their opinion the individual is a mentally ill person and presents an immediate danger or an immediate threat of danger to self or others, as a result of mental illness, if not restrained. The authorized staff personnel admitting a mentally ill person shall further certify in the medical record of the individual that treatment which will reasonably benefit the individual is available at the facility to which he has been admitted and that hospitalization is the least restrictive alternative mode of treatment.

(3) Any person may be admitted to a hospital upon the certification of two (2) physicians, or one (1) physician and one (1) qualified mental health professional, that they have examined the person and have concluded that he is a mentally ill person; that because of his illness he is in need of care and can reasonably benefit from treatment in a hospital; that hospitalization is the least restrictive alternative mode of treatment; and because of such illness he presents an immediate danger or an immediate threat of danger to self or others if not restrained. No person shall be admitted to a hospital on the basis of such certification at any time after the expiration of three (3) days from the date of the examination.

(4) Any individual who has been admitted to a hospital under subsections (1) or (3) of this section shall be released from the hospital within seventy-two (72) hours (excluding weekends and holidays) unless a proper petition for further hospitalization has been filed under the provisions of this chapter, in which case the individual may be retained until the proceeding is terminated by a judgment or an order of the appropriate court. In no case shall the patient be retained in the hospital longer than twenty-one (21) days from the date of application under this section without a hearing and order of the appropriate court pursuant to the applicable provisions of this chapter, unless the patient agrees to remain voluntarily.

Section 31. KRS 202A.070 is amended to read as follows:

(1) Proceedings for involuntary hospitalization of an individual for sixty (60) consecutive days may be initiated by filing a petition as described in this chapter in the appropriate circuit court.

(2) Upon receipt of the petition the court shall give notice to the respondent, to his legal guardian, if any, and to his spouse, parent, or nearest known relative or friend concerning the allegations and contents of the petition and proposed hearing except that when no circuit judge is available in the county, the district judge may do all things necessary to accomplish the purposes of KRS Chapters 202A, 202B, [203] and 210.

(3) As soon as practicable, after notice of the commencement of the proceedings is given to the respondent, the court shall appoint two (2) physicians to examine the respondent and certify to the court their findings as to whether the respondent is a mentally ill person who presents an immediate danger or an immediate threat of danger to self or others as a result of mental illness and who can reasonably benefit from treatment. Each physician shall also certify as to whether in his opinion hospitalization is the least restrictive alternative mode of treatment presently available. The examination shall be held at a hospital or other medical facility or any other suitable place not likely to have a harmful effect on the patient's health.

(4) The court may, after reviewing the allegations contained in the petition, issue a warrant for the arrest of the person named in the petition. Such person if arrested on such warrant shall be conveyed immediately to any hospital, medical facility or institution approved by the secretary and shall be there examined by two (2) physicians. The physicians shall certify to the court their findings as to whether the respondent is a mentally ill person who presents an immediate danger or an immediate threat of danger to self or others as a result of mental illness and who can reasonably benefit from treatment. Each physician shall also certify as to whether in his opinion hospitalization is the least restrictive alternative mode of treatment presently available.

(5) If after their examination the physicians certify that the respondent is a mentally ill person who presents an immediate danger or an immediate threat of danger to self or others as a result of mental illness and that he can reasonably benefit from treatment and that hospitalization is the least restrictive alternative mode of treatment presently available, then such person may be retained in the hospital pending a hearing and order of the appropriate court, or may be transported to an appropriate hospital for retention. In no case

shall the patient be retained in a hospital longer than twenty-one (21) days from the date of the examination without a hearing and order of the appropriate court.

(6) If the criteria for involuntary hospitalization as set forth in subsections (3) and (4) of this section are not certified, the court may, without taking any further action, terminate the proceedings and dismiss the application. Otherwise, the court shall forthwith fix a date and notice of a hearing and render an order within twenty-one (21) days from the date of the examination of the respondent.

(7) The respondent shall be represented at such hearing by an attorney either retained by the respondent or provided by the Commonwealth. The respondent shall be afforded an opportunity to testify, to present, and cross-examine witnesses against him. The court may in its discretion receive the testimony of any other person. The hearing may be conducted in an informal manner, consistent with orderly procedures, and in a physical setting not likely to have a harmful effect on the mental health of the respondent. The hearing may be held by the court in chambers, at a hospital, or other suitable place.

(8) Respondent's presence at the hearing may be waived by the respondent or respondent may be excused from the hearing upon a finding that respondent's presence would seriously disrupt the proceedings or that the respondent's presence at the hearing would be harmful to respondent.

(9) If upon completion of the hearing the court finds that the respondent is (a) a mentally ill person, (b) because of this illness presents an immediate danger or an immediate threat of danger to self or others, (c) that the least restrictive alternative mode of treatment requires hospitalization, and (d) that treatment which can reasonably benefit the respondent is available in the hospital, then the court shall order the individual hospitalized in a hospital selected by the department for a period not to exceed sixty (60) consecutive days.

(10) The hospitalization under this section shall be for a period of time not to exceed sixty (60) consecutive days from the date of the court order. Release shall be by writ of habeas corpus pursuant to the provisions of this section except that a staff physician may release the patient subject to the provisions of this chapter.

(11) When a formal application has been made for a further involuntary hospitalization under the provisions of this chapter, the patient shall not be retained in the hospital longer than ten (10) days from the date of application without a hearing and order of the appropriate court pursuant to the applicable provisions of this chapter, unless the patient agrees to remain voluntarily.

Section 32. KRS 202A.090 is amended to read as follows:

(1) The certificate referred to in this chapter shall be in the form prescribed by the department. The certificate shall state that the respondent has been examined by each of the examining physicians making the certificate within three (3) days prior to the date of the certificate. It shall state the facts and circumstances upon which the judgment of the examining physician is based and shall be sworn to before a notary or the clerk or judge of the court.

(2) When a person has been hospitalized under the provisions of this chapter requiring a petition and certification of two (2) physicians, said certification may be accepted by the circuit court as evidence in lieu of direct testimony from the physicians, whenever the presence of the two (2) physicians at the hearing is waived by the respondent.

(3) Where possible the persons selected by the court to perform examinations as described in this chapter and KRS Chapter[s 203 and] 210 shall have made a special study of mental illness. The examiner shall be entitled to a reasonable fee for such examination and certification, to be paid by the county in which the petition is filed, upon a certified copy of an order of allowance made by the court holding the hearing.

Section 33. KRS 202A.140 is amended to read as follows:

(1) Legal residents of the state who have become public charges in other states and have been returned to Kentucky because they have been adjudged mentally ill by the state returning them may be immediately admitted to a hospital at the request of the secretary or his designated representative.

(2) Within seventy-two (72) hours (excluding weekends and holidays) of the admission date, the staff of the hospital shall determine the need of the person for further hospitalization. If two authorized staff physicians conclude that the patient is mentally ill and presents an immediate danger or an immediate threat of danger to self or others, and can reasonably benefit from treatment in a hospital, and hospitalization is the least restrictive alternative mode of treatment available, they shall file in the appropriate court a certification requesting involuntary hospitalization procedures to be initiated under the provisions of this chapter or KRS Chapter [203 or] 210, unless the patient has agreed to remain voluntarily.

SECTION 34. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) No person shall sue as next friend unless he resides in this state, is free from disability, and files his own affidavit showing his right to sue as next friend according to the provisions of this chapter.

(2) A guardian, curator, committee or next friend who brings or prosecutes an action for a person who is under disability is liable for the costs which accrue during his conduct of the action, unless he be allowed to sue in forma pauperis or by an order of the court.

Section 35. KRS 202A.170 is amended to read as follows:

(1) The chief medical officer of the hospital shall provide reasonable means and arrangements for informing voluntary and involuntary patients of their rights as provided in this chapter.

(2) Voluntary patients shall be informed of their rights to release under this chapter and arrangements shall be made for assisting voluntary patients in making and presenting requests for release.

(3) Any individual who has been involuntarily hospitalized under the provisions of this chapter or KRS Chapter [203 or] 210 shall be entitled to a writ of habeas corpus upon proper petition by himself or a friend to any court generally empowered to issue the writ of habeas corpus in the county in which he is detained.

(4) Subject to the general rules and regulations of the hospital any patient voluntarily or involuntarily hospitalized under any section of this chapter or KRS Chapter [203 or] 210 may exercise all civil rights including but not limited to the right to dispose of property, execute instruments, make purchases, enter into contractual relationships and vote unless he has been adjudicated incompetent and has not been restored to legal capacity. Each patient has the right to communicate by sealed mail. Each patient, notwithstanding any limitations authorized under this section on the right of communication, shall have the right to communicate by sealed mail with his attorney, the court, and the office of the secretary at the expense of the department.

Section 36. KRS 202B.020 is amended to read as follows:

Hospitalization for the care and treatment of mentally retarded persons shall be provided by the same procedures as hospitalization of mentally ill persons as provided in KRS *Chapter* [Chapters 203 and] 210 and as set forth in KRS 202A.020 to 202A.160 and 202A.190, except that:

(a) When the court appoints qualified persons to examine an allegedly mentally retarded respondent such persons shall, where possible, have made a special study of mental retardation;

(b) A qualified mental retardation professional may be substituted for one but not both physicians when certification is required for involuntary hospitalization under this chapter; and

(c) All functions of a hospital as set forth in KRS Chapter 202A may be carried out by a mental retardation residential treatment center.

Section 37. KRS 202B.050 is amended to read as follows:

All rights guaranteed by KRS Chapters 202A[, 203] and 210 to mentally ill persons shall apply to mentally retarded persons.

Section 38. KRS 210.285 is amended to read as follows:

In addition to the specific authority granted by other provisions of KRS Chapters 202A, 202B, [203] and 210, the department for human resources shall have authority to prescribe the form of applications, records, reports, and medical certificates provided for under KRS Chapters 202A, 202B[, 203] and 210 and the information required to be contained therein; to require reports from the head of any hospital relating to the admission examination, diagnosis, release or discharge of any patient; to visit hospitals regularly to review the hospitalization procedures of all new patients admitted between visits; to investigate by personal visit complaints made by any persons on behalf of any patients or by any patients themselves; and to adopt such rules and regulations not inconsistent with the provisions of KRS Chapters 202A, 202B, [203] and 210 as it may find to be reasonably necessary for proper and efficient hospitalization of the mentally ill.

Section 39. KRS 222.410 is amended to read as follows:

(1) The department for human resources shall study the problems of drug abuse and drug addiction within the state, formulate and carry out programs of education designed to curb the excessive use of drugs and reduce the number of drug abusers and drug addicts, establish such facilities and employ such personnel as are necessary and available for the diagnosis and rehabilitation of drug abusers and drug addicts, and accept for examination, diagnosis, guidance and treatment any person coming to it of his own volition for advice and guidance.

(2) The department may contract for space and facilities to be used for outpatient clinics and may contract with hospitals and private doctors for the emergency hospitalization and care of drug abusers and drug addicts. The department may enter into cooperative agreements with municipal and other agencies operating facilities for treating drug abusers or drug addicts, and it may employ such medical, phychiatric, psychological, secretarial and other assistance as may be necessary to carry out the purposes of this section.

(3) The department may accept gifts, bequests, contributions and patient fees, at its discretion, and use such funds to further the purposes of this section.

(4) The department may establish rules and regulations for the admission of patients to its facilities and may set fees for treatment. Except as otherwise provided by law, all provisions of KRS Chapters 202A, 202B, [203] and 210 relating to charges and collections for treatment of the mentally ill shall apply to fees and collection of fees for treatment of alcoholics, drug abusers or drug addicts.

Section 40. KRS 222.430 is amended to read as follows:

(1) Involuntary hospitalization of the drug dependent person, drug addict or person under the influence of drugs as defined in KRS 222.011 shall take place by the same procedures as hospitalization of the mentally ill as provided in KRS Chapters 202A and 210.

(2) All rights guaranteed by KRS Chapters 202A, 202B, [203] and 210 to mentally ill persons shall be guaranteed to the drug dependent person, drug addict and the person under the influence of drugs.

SECTION 41. A NEW SECTION OF KRS CHAPTER 387 AS CREATED TO READ AS FOLLOWS:

(1) Any person who wilfully causes or conspires with or assist another in causing the unwarranted determination of disability or partial disability of any individual under this Act, or the denial of any individual of any of the rights accorded him under the provisions of this Act, shall be punished by a fine not exceeding five thousand dollars ($5,000) or imprisoned for a term not to exceed five (5) years or both.

(2) Any person who violates the confidentiality of any records or reports under this Act shall be guilty of a Class A misdemeanor.

Section 42. KRS 3.265 is amended to read as follows:

(1) The powers conferred by KRS 3.255 to 3.275 are solely to enable the Commonwealth and the United States to exercise concurrent legislative jurisdiction for purposes of criminal law enforcement over United States department of the interior national park system lands in Kentucky. No other legislative jurisdiction is ceded by KRS 3.255 to 3.275, and there are specifically reserved over any lands as to which any legislative jurisdiction may be ceded pursuant to KRS 3.255 to 3.275:

(a) The entire legislative jurisdiction with respect to taxation of the Commonwealth, and of each state agency, county, urban county government, city, special district and other political subdivision

(b) The entire legislative jurisdiction of the Commonwealth with respect to marriage, divorce, annulment, adoption, the commitment or other civil disposition of the mentally *disabled* [incompetent], and the descent and distribution of property; and

(c) The power to execute any process, civil or criminal, issued under the authority of the Commonwealth.

(2) No person residing upon such lands shall be deprived of any civil or political rights by reason of the cession of such legislative jurisdiction to the United States.

Section 43. KRS 26A.015 is amended to read as follows:

(1) For the purposes of this section the following words or phrases shall have the meaning indicated:

(a) "Proceeding" includes pretrial, trial, appellate review, or other stages of litigation;

(b) "Fiduciary" includes such relationships as executor, administrator, *conservator,* trustee, and guardian;

(c) "Financial interest" means ownership of a legal or equitable interest, however small, or a relationship as director, adviser, or other active participant in the affairs of a party, except that:

1. Ownership in a mutual or common investment fund that holds securities, or a proprietary interest of a policyholder in a mutual insurance company, of a depositor in a mutual savings association, or a similar proprietary interest, or ownership of government securities is a "financial interest" only if the outcome of the proceeding could substantially affect the value of the interest;

2. An office in an educational, religious, charitable, fraternal, or civic organization is not a "financial interest" in securities held by the organization.

(2) Any justice or judge of the Court of Justice or master commissioner shall disqualify himself in any proceeding:

(a) Where he has a personal bias or prejudice concerning a party, or personal knowledge of disputed evidentiary facts concerning the proceedings, or has expressed an opinion concerning the merits of the proceeding;

(b) Where in private practice or government service he served as a lawyer or rendered a legal opinion in the matter in controversy, or a lawyer with whom he previously practiced law served during such association as a lawyer concerning the matter in controversy, or the judge, master commissioner or such lawyer has been a material witness concerning the matter in controversy;

(c) Where he knows that he, individually or as a fiduciary, or his spouse or minor child residing in his household, has a pecuniary or proprietary interest in the subject matter in controversy or in a party to the proceeding;

(d) Where he or his spouse, or a person within the third degree of relationship to either of them, or the spouse of such a person:

1. Is a party to the proceeding, or an officer, director, or trustee of a party;

2. Is acting as a lawyer in the proceeding and the disqualification is not waived by stipulation of counsel in the proceeding filed therein;

3. Is known by the judge or master commissioner to have an interest that could be substantially affected by the outcome of the proceeding;

4. Is to the knowledge of the judge or master commissioner likely to be a material witness in the proceeding.

(e) Where he has knowledge of any other circumstances in which his impartiality might reasonably be questioned.

(3) (a) Any justice or judge of the Court of Justice disqualified under the provisions of this section shall be replaced by the chief justice.

(b) Any master commissioner disqualified under the provisions of this section or unable to discharge the duties of his office for any other reason shall be replaced by a special commissioner who shall be appointed by the judge of the court before whom the action is pending. The special commissioner shall meet the same qualifications as a master commissioner and shall take an oath and execute a bond as the regular commissioner is required to do.

Section 44. KRS 26A.250 is amended to read as follows:

(1) For the purposes of this section the following words or phrases shall have the meaning indicated:

(a) "Proceeding" includes pretrial, trial, appellate review, or other stages of litigation;

(b) "Fiduciary" includes such relationships as executor, administrator, *conservator,* trustee, and guardian;

(c) "Financial interest" means ownership of a legal or equitable interest, however small, or a relationship as director, adviser, or other active participant in the affairs of a party, except that:

1. Ownership in a mutual or common investment fund that holds securities, or a proprietary interest of a policyholder in a mutual insurance company, of a depositor in a mutual savings association, or a similar proprietary interest, or ownership of government securities is a "financial interest" only if the outcome of the proceeding could substantially affect the value of the interest;

2. An office in an educational, religious, charitable, fraternal, or civil organization is not a "financial interest" in securities held by the organization.

(2) Any prosecuting attorney shall disqualify himself in any proceeding in which he or his spouse, or a member of his immediate family either individually or as a fiduciary:

(a) Is a party to the proceeding, or an officer, director, or trustee of a party;

(b) Is acting as a lawyer in the proceeding;

(c) Is known by the prosecuting attorney to have an interest that could be substantially affected by the outcome of the proceeding;

(d) Is to the prosecuting attorney's knowledge likely to be a material witness in the proceeding;

(e) Has served in private practice or government service, other than as a prosecuting attorney, as a lawyer or rendered a legal opinion in the matter in controversy;

(f) Has a financial interest in the subject matter in controversy or in a party to the proceeding, or any other interest that could be substantially affected by the outcome of the proceeding.

(3) Any prosecuting attorney may be disqualified by the court in which the proceeding is presently pending, upon a showing of actual prejudice.

(4) In the event that a prosecuting attorney is disqualified, he shall certify such fact in writing to the attorney general who may direct another commonwealth's attorney or county attorney or an assistant attorney general as a special prosecutor to represent the Commonwealth in that proceeding.

Section 45. KRS 40.060 is amended to read as follows:

All applications for the veterans' bonus shall be submitted to the administrator, in writing, upon forms prepared and made available by the administrator; and shall be accompanied by such documentary evidence as the administrator may by regulation prescribe. Every application shall be verified under oath, and shall contain representations of the claimant (or, if he shall have been adjudged *mentally disabled* [incompetent], or be an infant, or his [committee or] guardian *or conservator*), that:

(1) The facts therein stated are true to the best of his or her knowledge and belief;

(2) All documents submitted in support of the application are believed by the claimant to be genuine originals, or copies, as the case may be; and the claimant has no knowledge that any fact appearing therein is false, or no longer true, or that the document has been superseded or canceled;

(3) The claimant has not received a veterans' bonus or like compensation from any other state;

(4) That the claimant has neither paid nor agreed to pay, directly or indirectly, any compensation for assistance received in preparing or tendering the application; and has not solicited, received, or agreed to receive, directly or indirectly, any compensation for rendering assistance to any other claimant; and

(5) The claimant has knowledge of the penal and forfeiture provisions of this chapter.

Section 46. KRS 61.360 is amended to read as follows:

(1) The governor or his agent may appoint special local peace officers, for such time as he deems necessary, to preserve the peace and protect the property of any person from waste or destruction, provided, however, that no such peace officer(s) shall be actively employed at any factory, mine, workshop, retail establishment, or at any other location where a strike, a slow down, a sit in, or any other type of work stoppage exists, if the employment of such peace officer(s) would result in the unreasonable expansion of the normal complement of such peace officers or the relieving of normal guards or peace officers to perform other duties. Upon the application of an owner of property for such services, and upon payment of a fee of ten dollars ($10) for each officer to be appointed, the governor may immediately appoint the person recommended by the owner, if the person is eligible. No person shall be eligible for appointment under this section unless he has established to the satisfaction of the governor that he possesses the following qualifications:

(1) No person shall serve as a special local peace officer:

(a) Unless he is a citizen of the United States, is twenty-one (21) years of age or over, and unless he is able to read and write;

(b) Unless he has resided in the county wherein he is appointed to serve for a period of at least one (1) year;

(c) Who has ever been convicted of or is under indictment for a crime involving moral turpitude, dishonesty or fraud; unauthorized divulging or selling of information or evidence; impersonation of a law enforcement officer or employe of the United States or any state or political subdivision thereof; illegally using, carrying or possessing a firearm or dangerous weapon; habitual drunkenness; using or selling or possessing narcotics; or who has been adjudged mentally *disabled* [incompetent] by a court of competent jurisdiction and such adjudication has not been set aside; or has renounced his citizenship, or being an alien, is illegally or unlawfully in the United States;

(d) Who within a period of two (2) years has hired himself out, performed any service, or received any compensation from any private source for acting, as a privately paid detective, policeman, guard, peace officer or otherwise as an active participant in any labor dispute, or conducted the business of a private detective agency or of any agency supplying private detectives, private policemen or private guards, or advertised or solicited any such business in connection with any labor dispute;

(e) Unless he has filed his photograph with the county clerk of the county in which he is to serve, together with his affidavit stating his full name, age and residence address and that he is not prohibited from serving by this section.

(2) The photograph so filed with the county clerk shall constitute a public record. The governor may remove any officer so appointed at will or at the request of the owner of the property.

(3) The duties of the officer shall be confined to the premises of the property to be protected, except while in pursuit of a person fleeing from the property after committing an act of violence or destruction of the property. In that case, the officer may pursue the person and make arrest anywhere within this state. He may wear such badges and insignia as will plainly indicate to the public that he is a special local peace officer, but he shall not, in any event, wear any uniform, or any part thereof, of any public police officer; nor shall he in any way impersonate a public police officer or represent himself to any person or persons as being a public police officer; nor shall he perform any of the duties of a public police officer, except those specifically herein granted and at the places herein specifically designated.

(4) Application fees shall be placed in the state treasury and credited to a revolving fund for administrative expenses.

(5) Every special local peace officer appointed pursuant to this section shall execute bond in the amount of five thousand dollars ($5,000).

Section 47. KRS 61.906 is amended to read as follows:

In order to qualify for a commission as a special law enforcement officer under KRS 61.900 to 61.930, an individual must present satisfactory evidence of compliance with the following conditions and requirements:

(1) No person shall be eligible for a commission who:

(a) Has been dishonorably discharged from the armed forces of the United States; or

(b) Has been convicted in any jurisdiction of any felony or of any crime involving moral turpitude for which he has not received a full pardon; or

(c) Has been convicted of any other offense or offenses more than five times within the previous three years; or

(d) Has by any court of competent jurisdiction been declared *mentally disabled* [incompetent] by reason of mental defect or disease and has not been restored; or

(e) Suffers from habitual drunkenness or from narcotics addiction or dependence, or from any physical defect or deficiency which the secretary determines to materially impair the applicant's ability to perform the duties of a special law enforcement officer.

(2) Every person to be eligible for a commission shall:

(a) Have reached his twenty-first birthday;

(b) Provide, on forms supplied by the secretary, such information pertaining to himself as may be reasonably be requested thereon, including, but not limited to: his name; age; date of birth; current address and employment; prior addresses and employment for the past ten years; aliases, if any; arrest and conviction record, if any; social security number; fingerprints; photographs; and general physical description. The accuracy of such information shall be attested by the applicant and his attestation shall be notarized by one authorized to administer oaths; and

(c) Be of good moral character; and

(d) Provide references from two reputable residents of the Commonwealth who are not related to him and who have known him well for a period of not less than three years, attesting to his good character; and

(e) Pay the fees provided in KRS 61.908; and

(f) Provide evidence satisfactory to the secretary that he meets the following requirements:

(i) Is a graduate of an accredited high school; or of an equivalent technical or vocational training or education program satisfactory to the secretary; or holds a G.E.D. certificate; provided, however, that all special local peace officers formally commissioned under KRS 61.360 and with unexpired commissions on December 31, 1976, shall be deemed to have met the requirements of this subsection; and

(ii) Has successfully completed not fewer than eighty hours of training in a program approved by the council and dealing comprehensively with the subjects of criminal law and the law of arrest, search and seizure; or has been employed as a full-time sworn public peace officer for a period of not less than one year within the past five years, and has never been discharged for cause from employment as a sworn public peace officer; or has been employed in a full-time capacity as a military policeman engaged in law enforcement for the United States armed forces for a period of not less than one year within the past five years; or has successfully completed a written, oral and practical examination approved by the council and dealing comprehensively with the subject matter of criminal law and the law of arrest, search and seizure; and

(iii) Demonstrates, in written and practical examinations approved by the council, knowledge of and proficiency in firearms safety, range firing, the moral and legal aspects of firearms use, and first aid. Provided, however, that all special local peace officers formally commissioned under KRS 61.360 and with unexpired commissions on December 31, 1976 shall be deemed to have met the requirements of these subsections.

Section 48. KRS 62.030 is amended to read as follows:

Every person, before entering on the duty of executor, administrator, guardian, curator or *conservator* [committee] of a person who is mentally *disabled* [retarded or mentally ill], or any other like trust or employment, in lieu of all other oaths not expressly required by law, shall take in substance the following oath or affirmation "I do solemnly swear (or affirm) that I will faithfully perform the duties of .... according to law."

Section 49. KRS 62.090 is amended to read as follows:

If a surety in any official bond, or bond of a personal representative, guardian, *conservator,* curator, assignee or trustee, [committee of a mentally ill person,] master commissioner, receiver, or in any bond or covenant which by law may be required to be executed in court, or before an officer at the commencement or during the progress of any civil judicial proceeding, wishes to be relieved from future liability and to obtain indemnity for liability already incurred, or either, he may file a motion in the court in which the original bond was given or in whose clerk's office the bond is required to be kept. If the bond was not given in any court or is not required to be kept in any office, the motion shall be filed in the circuit court of the county in which the principal resides, or if the principal has no residence in this state, then in the circuit court of the county of the residence of the surety. The motion may be filed in the court or the motion and notice, with return showing service, may be filed in the office of the clerk of the court.

Section 50. KRS 73.230 is amended to read as follows:

Any person desiring to have his land processioned, or desiring to take depositions as allowed by KRS 73.220, may give ten (10) days' notice to any person interested, or his agent or attorney, or, if an infant, *or person adjudged mentally disabled* [mentally ill or mentally retarded person], to his guardian or committee, of the time and place when and where the processioners will convene. If the party interested does not reside in the state, and has no known agent therein, notice shall be published pursuant to KRS chapter 424 and shall also be posted for the same period that publication is required on the courthouse door. The printer of the paper in which the notice is published shall make an affidavit of the fact of publication, which, with the notice, shall be filed with the processioners before they act, and returned with their proceedings. An affidavit of a disinterested person of the service of a notice on persons interested, or their agents, or the fact of such agency, shall, in like manner, be made and filed with the processioners, and returned with their report.

Section 51. KRS 91.450 is amended to read as follows:

Within a reasonable time after the tax bills for the year have been listed with the tax receiver, he shall mail a postpaid tax notice, directed to the best of his knowledge, to every person against whom a tax bill has been listed. In the case of an infant or mentally *disabled* [ill] person the notice shall be mailed to his guardian or *conservator* [committee], and in the case of an absent owner whose address is unknown to the tax receiver it shall be mailed to the agent of the owner. The tax notice shall give a brief description of the property taxed, and shall state the number and amount of the bill listed against the taxpayer, the date of its maturity, and the penalties imposed for nonpayment. The failure of the tax receiver to send the tax notice, or of the taxpayer to receive it, shall not invalidate the tax, or the interest or penalties provided for by KRS 91.430, or any subsequent proceeding for the collection of either.

Section 52. KRS 92.560 is amended to read as follows:

As soon as the tax levy ordinance in each city of the second class becomes in force, the auditor shall deliver the assessment books to the city clerk, who shall from them make out the tax bills. Each bill shall show each lot and the assessment thereon separately, the name of the supposed owner, the net total assessment of personal property against the person and the tax thereon. The tax bills shall be so arranged that the bill for each half-year may be detached and have each part intelligible. There shall be attached to each bill a stub showing in condensed form the items and amounts in the bill, and the bills and stubs shall be numbered consecutively, the number of each stub to correspond to the bill to which it is attached. The bills and stubs shall be bound in book form. On or before April 1 of each year the clerk shall deliver the assessment books and tax bills to the auditor, and together they shall ascertain whether the sum of the tax bills equals the amount of the tax which, at the rate fixed, the total assessment should realize, and if it does not, they shall find and correct the error. When the error is corrected, the auditor shall receipt for the assessment books and tax bills. The auditor shall then deliver all tax bills to the treasurer and take his receipt for the gross amount of the bills. As soon as practicable after receiving the tax bills, the treasurer shall mail to each person against whom a tax bill has been listed, or to his guardian or *conservator* [committee], a postpaid notice, directed to the best of his knowledge, stating the number and amount of the bill, the date when due and the penalties imposed for nonpayment. The failure of the treasurer to send the notice, or of the taxpayer, guardian or *conservator* [committee] to receive it, shall not invalidate the tax or the interest or penalties, or any subsequent proceeding for the collection thereof.

Section 53. KRS 92.710 is amended to read as follows:

(1) The treasurer of each city of the second class shall, within ten (10) days after selling real property for taxes, make a written report thereof to the city auditor. The report shall show the time and place of the sale, the name of each delinquent, the years for which the sale was made, the number of each tax bill, the amount of taxes, interest, penalties and costs on each tax bill for each year, the name of the purchaser, the amount paid, and a brief description, by lot and block numbers as shown by the city maps or some other method sufficiently accurate to identify each parcel, of the property sold. The report shall be recorded in the auditor's office in an appropriate book provided for that purpose, with an alphabetical index of the names of delinquents whose property has been sold, and with appropriate columns and spaces opposite each name in which shall be entered a record of the sale and redemption of the property or of its conveyance to the purchaser in case it is not redeemed. The original report of the treasurer shall likewise be preserved. Upon the purchase of any real property by any person other than the city and the payment of the purchase price, the treasurer shall give the purchaser a certificate of purchase, which shall be in substance a copy of the treasurer's report as to the property bought. A duplicate of each such certificate shall be recorded in a book kept for that purpose as a public record in the auditor's office. In cases where the property is bought by the city, it shall not be necessary for the treasurer to issue a certificate of purchase, but the treasurer's report shall be deemed his certificate of any such purchase by the city.

(2) The collector of each city of the third class, after selling any real property for taxes, shall return upon the same paper upon which his levy is written a description of the property sold, the time and place of sale, a statement that he first advertised the sale according to law, the name of the purchaser and the amount paid by him for the property sold. The collector shall deliver the levy and return to the office of the city clerk, who shall record or bind it in a book kept for that purpose, and the original return of the collector shall also be filed and preserved in the office of the city clerk. The collector shall make all sales, returns and settlements before the end of the fiscal year. The collector shall give to the purchaser of any real property sold by him for taxes, except when the city is the purchaser, a certificate of purchase, containing a description of the land purchased, the time of sale, the quantity sold, the price, the amount of taxes sold for, and the year or years for which the taxes were owed. The certificate will be sufficiently descriptive if the property can be conveniently found from an inspection of the map of the city or, if the property is not properly described in the map, if the description is otherwise sufficient to enable the purchaser to find the property. All certificates of purchase shall be recorded or bound in a book kept for that purpose by the city clerk, as a public record. The collector's return of any sale of real property to the mayor for the use of the city shall be deemed his certificate of such purchase by the city.

(3) The collector or treasurer of each city of the fourth class, within twenty (20) days after selling any real property for taxes, shall report in writing to the county clerk of the county in which the city is located. The report shall show when the sale was made, the steps taken by the collector or treasurer prior to and at the sale, the name of the purchaser, the price, and a full description of the property. The county clerk shall record and index the report in the book in which he records the sheriff's report of tax sales. Such reports, when recorded, shall operate as conveyances to the purchasers, whether the city or private persons, and shall vest in the purchasers the title of the persons whose property was sold at the sale, except that of persons under legal disability, and shall be constructive notice as to the claim existing in favor of the purchaser against the real property of persons under no legal disability. The county clerk shall have a fee of fifty cents (50¢) for each entry so made.

(4) The collector or treasurer of each city of the fourth class shall, within thirty (30) days after each sale of real property, issue to the purchaser a certificate of purchase, describing the property sold and stating the time of sale and the price. If the collector or treasurer fails to make the report of sale to the county clerk provided for in subsection (3) of this section, any purchaser may file with the county clerk the collector's or treasurer's certificate of purchase. The clerk shall then record and index the certificate of purchase in the book mentioned in subsection (3) of this section, and it shall have the same effect as the collector's or treasurer's report would have had if returned.

(5) Any purchaser, other than the city, of real property sold for taxes of a city of the fourth class shall forfeit his right to the purchase unless, within six (6) months after the collector or treasurer delivers to him the certificate of purchase, the purchaser gives written notice of his purchase as follows:

(a) To the statutory guardian, parent or person in charge of an infant, in the order named, if the property belonged to an infant.

(b) To the *guardian or conservator* [committee] or the person in charge of *a mentally disabled* [an incompetent] person *or his estate*, in the order named, if the property belonged to *a mentally disabled* [an incompetent] person.

Section 54. KRS 92.730 is amended to read as follows:

(1) When real property has been sold for taxes of a city of the third class and purchased by the mayor for the benefit of the city, the owner of the property, or his heirs, representatives or assigns, may redeem the property at any time within two (2) years from the day of sale, by paying to the city the amount bid at the sale, with eight per cent (8%) per annum interest thereon from the day of sale.

(2) When real property has been sold for taxes of a city of the third class and purchased by someone other than the city, the owner of the property, or his heirs or personal representatives, may redeem the property at any time within one (1) year from day of sale, by paying or tendering to the purchaser or his representatives the full amount for which the property was sold, with twenty per cent (20%) per annum interest thereon from the day of sale. If the purchaser refuses to accept payment, or is a nonresident of the city, the owner may deposit the amount and interest with the city treasurer and take his receipt therefor, and shall at once file the receipt with the city clerk, which shall operate as a redemption of the property.

(3) If the owner of the property is a minor, or *a mentally disabled* [an incompetent] person, and the property is not redeemed within two (2) years from the day of sale, by the owner or by someone for him, the purchaser, other than the city, may bring suit in equity in the circuit court of the county to have a sufficient amount of the property sold to pay the sum bid at the collector's sale, with interest at ten per cent (10%) per annum and costs of suit, and to pay any other taxes appearing to be due on the property at the time judgment is rendered. The plaintiff shall, before any judgment is rendered, give good security to the defendant, to be approved by the court, that he will pay all taxes for which the property is adjudged to be sold, and shall, before any deed to the property sold under the judgment is made, produce to the court and file in the action proper and legal receipts for such taxes. No such suit against a person under disability shall be brought after five (5) years from the day of the collector's sale.

Section 55. KRS 92.740 is amended to read as follows:

(1) When real property has been sold for taxes of a city of the fourth class, an owner not under disability, or his representatives, heirs or assigns, may redeem the property from the city or any other purchaser at any time within two (2) years from the day of sale, by paying the purchase money with interest at the rate of ten per cent (10%) per annum, the costs and a penalty of fifteen per cent (15%) upon the total amount of the purchase price. Any person under disability at the date of sale, except *a person adjudged mentally disabled* [an incompetent person], shall have one (1) year after the removal of the disability, and any *mentally disabled* [incompetent] person shall have five (5) years from the receipt of the notice provided for in subsection (5) of KRS 92.710, in which to redeem his property on the same terms as other owners.

(2) If the property is redeemed from the city, the city clerk shall collect the amount of the tax, penalty and costs from the delinquent taxpayer, and give him a receipt therefor.

(3) When a redemption is made, the purchaser shall mark the word "redeemed" on the margin of the record book provided for in subsection (3) of KRS 92.710, in a space left for that purpose, with the date and his signature. The county clerk shall have a fee of twenty-five cents (25¢) for each redemption.

Section 56. KRS 93.490 is amended to read as follows:

(1) Any property owner who desires to exercise the privilege of payment by instalment shall, before the expiration of the thirty (30) days, pay in cash one-tenth (1/10) of the assessment against him and enter into an agreement in writing with the city that in consideration of this privilege he will make no objection to any illegality or irregularity in the assessment, levy or imposition of the taxes against his property, and that he will pay them in the manner provided in KRS 93.500. Any property owner entering into such an agreement or who exercises the option to pay in instalments shall be concluded thereby, and shall waive any defense against the payment of the taxes. The agreement shall be filed and recorded in the office of the director of finance, who shall retain it as a record of his office and furnish a copy to the director of works, who shall preserve it as a part of the records of his office.

(2) In all cases where agreements have not been filed within the time limit, the entire tax shall be payable in cash, and if not paid within the thirty (30) days shall bear interest at the rate of six per cent (6%) per annum from the date of the assessment and levy, and shall be collected by the city by suit.

(3) If any property subject to the tax is owned by an infant or a *mentally disabled* person [of unsound mind] or by a life tenant, the agreement herein provided for may be executed by the statutory guardian of the infant or the *guardian, conservator* [committee] or curator of the *disabled* [insane] person, or by the life tenant.

(4) Unless persons who, in the aggregate, are liable for at least one thousand dollars ($1,000) in excess of the cash payments made or provided for exercise the option to pay on the instalment plan, the option shall terminate and the entire tax shall be payable in cash and collected as herein provided.

Section 57. KRS 94.316 is amended to read as follows:

(1) In the original ordinance providing for a public improvement, the city legislative body shall have the alternative of providing that the improvement tax may, at the option of the property owners subject to the tax, be payable in instalments, as provided in this section and in KRS 94.317. Any property owner who desires to exercise this option shall, before the expiration of thirty (30) days from the day of publication of the abstract of the ordinance of apportionment and levy, enter into an agreement in writing with the city that in consideration of this privilege he will make no objection to any illegality or irregularity in the assessment, levy or imposition of the tax against his property, and that he will pay the tax in the manner provided in KRS 94.317. Any property owner entering into such an agreement shall be concluded thereby, and shall waive any defense against the payment of the tax. The agreement shall be filed in the office of the city treasurer, who shall preserve it as part of the records of his office.

(2) If any property subject to improvement tax is owned by an infant or a *mentally disabled* person [*of unsound mind*] or a life tenant, or is property which has descended by inheritance or will, the agreement provided for in this section may be executed by the statutory guardian of the infant, or the *guardian, conservator* [committee] or curator of the *disabled* person [of unsound mind], or the life tenant, or the heirs at law, or devisees, or the personal representative of the deceased owner of such property.

(3) In all cases where agreements have not been filed within the time specified in subsection (1) of this section, the entire improvement tax shall be payable in cash, and shall be subject to interest, as provided in KRS 94.313.

Section 58. KRS 99.200 is amended to read as follows:

Notwithstanding any requirement of law to the contrary or the absence of direct provision therefor in the instrument under which a fiduciary is acting, every executor, administrator, trustee, guardian, *conservator* or any other person holding trust funds or acting in a fiduciary capacity, unless the instrument under which such fiduciary is acting expressly forbids, the state, its subdivisions, cities, all other public bodies, all public officers, corporations organized under or subject to the provisions of the banking law (including savings banks, savings and loan associations, trust companies, banking corporations), the commissioner of banking and securities as conservator, liquidator or rehabilitator of any such person, partnership or corporation, persons, partnerships and corporations organized under or subject to the provisions of the insurance law, the commissioner of insurance as conservator, liquidator or rehabilitator of any such person, partnership or corporation, any of which owns or holds any real property within a development area, may grant, sell, lease or otherwise transfer any such real property to a redevelopment corporation, and receive and hold any cash, stocks, notes, mortgages, or other securities or obligations, which they are allowed by law to acquire, exchanged therefor by such redevelopment corporation, and may execute such instruments and do such acts as may be deemed necessary or desirable by them or it and by the redevelopment corporation in connection with the development and the development plan.

Section 59. KRS 99.270 is amended to read as follows:

Certificates, bonds and notes, or part interests therein, or any part of an issue thereof, which are secured by a first mortgage on the real property in a development area, or any part thereof, shall be securities in which all the following persons, partnerships or corporations and public bodies or public officers may legally invest the funds within their control, provided that the principal amount secured by such mortgage shall not exceed the limits, if any, imposed by law for such investments by the person, partnership, corporation, public body or public officer making the same: Every executor, administrator, trustee, guardian, *conservator* [committee] or other person or corporation holding trust funds or acting in a fiduciary capacity; the state, its subdivisions, cities, all other public bodies, all public officers; persons, partnerships and corporations organized under or subject to the provisions of the banking law (including savings banks, savings and loan associations, trust companies, banking corporations); the commissioner of banking and securities as conservator, liquidator or rehabilitator of any such person, partnership or corporation; persons, partnerships or corporations organized under or subject to the provisions of the insurance law; fraternal benefit societies; and the commissioner of insurance as conservator, liquidator or rehabilitator of any such person, partnership or corporation.

Section 60. KRS 117.075 is amended to read as follows:

(1) Any qualified voter who has not been declared *mentally disabled* [incompetent] by a court of competent jurisdiction, and who, on account of age, infirmity or illness, is not able to appear at the polls on election day may vote in the following manner. At least seven (7) days prior to the date of the election, he shall present to the clerk by mail his verified statement that his inability to appear is due to age, infirmity, or illness, and a verified statement of a physician corroborating the voter's statement and indicating whether or not the condition is temporary, applying to the instant election only, or is expected to be a continuing one. If the condition is indicated as being continuing the voter need not file further statements of disability.

For ensuing elections the voter may make reference to the statement previously filed when applying for a special ballot. The county clerk shall maintain a file of all such statements. Upon receipt of the verified statement, the clerk shall immediately mail to the voter a special ballot, and envelopes, and the voter shall cast his vote in the same manner as provided for the absent voter in KRS 117.335.

(2) Special ballots cast by disabled persons shall be tabulated in the same manner as are special ballots cast by absent voters.

Section 61. KRS 132.043 is amended to read as follows:

(1) To the extent that any right or interest, vested or otherwise, in a plan established by or for an individual or individuals for retirement purposes and meeting the requirements for exemption under the federal income tax laws may be held to be subject to assessment and taxation, the basis of the assessment shall be the fair cash value of such vested right or interest.

(2) The owner or person enjoying such right or interest, on January 1 of each year, shall pay a tax to the state of one-tenth of one cent ($.001) upon each one hundred dollars ($100) of the fair cash value. No other tax shall be assessed by the state or by any county, city, school district, or other taxing district on any such right or interest or against the holder of any such right or interest.

(3) The administrator, executor, trustee, *conservator, guardian,* [committee,] curator, or agent of any plan established for retirement purposes, as defined in subsection (1) of this section may list and pay the applicable tax for all of the participants in the plan subject to taxation by virtue of their respective vested rights or interests in such pension plan, and the owner or person enjoying such right or interest shall be deemed to have paid such tax.

Section 62. KRS 132.190 is amended to read as follows:

(1) The property subject to taxation, unless exempted by the constitution, shall be as follows:

(a) All real and personal property within this state, including intangible personal property of nonresidents and corporations not organized under the laws of this state that has acquired a business situs within this state, except that twenty-five (25) domestic fowls to each family shall be exempt from taxation for any purpose.

(b) All intangible personal property of individuals residing in this state and of corporations organized under the laws of this state unless it has acquired a business situs without this state.

(2) The property enumerated in paragraph (b) of subsection (1) of this section shall be considered and estimated in fixing the valuation of corporate franchises.

(3) Property shall be assessed for taxation at its fair cash value, estimated at the price it would bring at a fair voluntary sale.

(4) The situs of intangible personal property for purposes of taxation shall be at the residence of the real or beneficial owner, and not at the residence of the fiduciary or agent having custody or possession. Any intangible property owned by a resident shall be taxable in this state, unless by the date of assessment he has changed his place of abode to a place without this state with the bona fide intention of continuing actually to abide permanently without this state. The fact that a person again abides within this state within six (6) months from so changing his actual place of abode shall be prima facie evidence that he did not intend permanently to have his actual place of abode without this state. A person so changing his actual place of abode and not intending permanently to continue it without this state and not having listed his property for taxation as a resident of this state shall, for the purpose of having his property assessed for taxation within this state, be deemed to have resided, on the day when his property should have been so assessed, at his last actual or habitual place of abode within this state. The fact that a person does not claim or exercise the right to vote at public elections within this state shall not of itself constitute him a nonresident of this state.

(5) An administrator, executor, trustee, *guardian, conservator* [committee], curator, or agent residing in this state shall not be liable for taxes on intangible personal property held by him if the real or beneficial owner of the property resides outside of this state. This exemption shall not apply in the case of an executor or administrator in the exercise of his office as personal representative while the estate of a deceased person is in process of settlement and before the share of the nonresident legatee or beneficiary is set apart to him, or before the legatee or beneficiary is entitled to be paid his share.

(6) Nothing contained in this section shall affect the liability for franchise taxes payable by corporations organized under the laws of this state; nor the method of taxation of banks and trust companies provided in KRS 136.270; nor the method of taxation of savings and loan associations provided in KRS 136.300; and nothing contained in this section shall alter or repeal KRS 136.030.

Section 63. KRS 132.510 is amended to read as follows:

Every executor, administrator, guardian, *conservator,* trustee, trustee in bankruptcy, receiver or other person acting in a fiduciary capacity shall, when required, file with the department of revenue a sworn inventory showing in detail the amount and character of personal property in his hands, unless the inventory has been filed as a public record in the court in which the fiduciary qualifies. The department may examine the books and accounts of any person acting in a fiduciary capacity. No fiduciary shall receive a final discharge until he has satisfied the court settling his accounts that all taxes against the estate have been paid.

Section 64. KRS 132.810 is amended to read as follows:

(1) To qualify under the homestead exemption provision of the Constitution, each person claiming the exemption shall file an application with the property valuation administrator of the county in which the applicant resides, on forms prescribed by the department of revenue. The assessed value of property on which homestead exemption is claimed shall not be increased because of valuation expressed on the application form filed with the property valuation administrator, and whenever it becomes known that the valuation of property subject to the homestead tax exemption has been increased because of valuation expressed on the application form, adjustment shall be made the following year so that the total tax paid by the taxpayer is the same as if the increase had not been made.

(2) (a) Every person filing an application for exemption under the homestead exemption provision must be sixty-five (65) years of age or older during the year for which application is made.

(b) Every person filing an application for exemption under the homestead exemption provision must own and maintain the property for which the exemption is sought as his personal residence.

(c) Only one (1) exemption per residential unit shall be allowed regardless of the number of residents sixty-five (65) years of age or older occupying said unit, but the $6,500 exemption shall be construed to mean $6,500 in terms of the purchasing power of the dollar in 1972. Every two (2) years thereafter, if the cost of living index of the United States department of labor has changed as much as one (1) per cent, the maximum exemption shall be adjusted accordingly.

(d) The real property may be held by legal or equitable title, by the entireties, jointly, in common, as a condominium, or indirectly by the stock ownership or membership representing the owner's or member's proprietary interest in a corporation owning a fee or a leasehold initially in excess of ninety-eight (98) years. The exemption shall apply only to the value of the real property assessable to the owner or, in case of ownership through stock or membership in a corporation, the value of the proportion which his interest in the corporation bears to the assessed value of the property.

(e) A mobile home may qualify as a residential unit for purposes of the homestead exemption provision provided the mobile home is classified as real property as defined in KRS 132.750.

(f) When title to property which is exempted, either in whole or in part, under the homestead exemption is transferred, the owner, administrator, executor, trustee, *guardian, conservator* [committee], curator or agent shall report such transfer to the property valuation administrator.

(3) Notwithstanding any statutory provisions to the contrary, the provisions of this section shall apply to the assessment and taxation of property under the homestead exemption provision for state, county, city or special district purposes.

(4) The provisions of this section shall become effective with the 1976 taxable year and persons eligible for a homestead exemption under this section shall file applications:

(a) Any time during the 1976 taxable year.

(b) By March 1 in any year after the 1976 taxable year.

Section 65. KRS 140.080 is amended to read as follows:

(1) The following exemptions chargeable against the lowest bracket or brackets of inheritable interests shall be free from any tax under the preceding provisions of this chapter:

(a) Surviving spouse, $50,000;

(b) 1. Infant child by blood or adoption, $20,000;

2. Child by blood who has been declared *mentally disabled* [incompetent] by a court of competent jurisdiction, $20,000; or a

3. Child adopted during infancy who has been declared *mentally disabled* [incompetent] by a court of competent jurisdiction, $20,000;

(c) 1. Parent, $5,000;

2. Child by blood, $5,000;

3. Stepchild, $5,000;

4. Child adopted during infancy, $5,000; or a

5. Grandchild who is the issue of a child by blood, or of a stepchild or of a child adopted during infancy, $5,000;

(d) All persons of Class B, under KRS 140.070, $1,000; and

(e) All persons of Class C, under KRS 140.070, $500.

(2) If the decedent was not a resident of this state, the exemption shall be the same proportion of the allowable exemption in the case of residents that the property taxable by this state bears to the whole property transferred by the decedent.

Section 66. KRS 141.300 is amended to read as follows:

(1) Every individual shall, at the time prescribed in subsection (3), make a declaration of his estimated tax for the taxable year if his gross income from sources other than wages upon which Kentucky income tax will be withheld can reasonably be expected to exceed two thousand dollars ($2,000) for the taxable year and his gross income or adjusted gross income can reasonably be expected to be an amount not less than the amount for which a return is required under KRS 141.180.

(2) In the declaration required under subsection (1) the individual shall state:

(a) The amount which he estimates as the amount of tax under KRS 141.020 for the taxable year;

(b) The amount which he estimates as the credits for the taxable year under KRS 141.310 and 141.315;

(c) The excess of the amount estimated under paragraph (a) over the amount estimated under paragraph (b), which excess for purposes of this chapter shall be considered the estimated tax for the taxable year;

(d) Such other information as may be prescribed in regulations promulgated by the department;

(e) Notwithstanding the above provisions, no declaration is required if the estimated tax can reasonably be expected to be less than forty dollars ($40).

(3) The declaration required under subsection (1) shall be filed with the department on or before April 15 of the taxable year, except that if the requirements of subsection (1) are first met:

(a) After April 1 and before June 2 of the taxable year, the declaration shall be filed on or before June 15 of the taxable year; or

(b) After June 1 and before September 2 of the taxable year, the declaration shall be filed on or before September 15 of the taxable year; or

(c) After September 1 of the taxable year, the declaration shall be filed on or before January 15 of the succeeding taxable year.

(4) An individual may make amendments of a declaration filed during the taxable year under subsection (3), under regulations prescribed by the department.

(5) If on or before January 31 of the succeeding taxable year the taxpayer files a return for the taxable year for which the declaration is required and pays in full the amount computed on the return as payable then, under regulations prescribed by the department:

(a) If the declaration is not required to be filed during the taxable year, but is required to be filed on or before such January 15, such return shall, for the purposes of this section, be considered as such declaration; and

(b) If the tax shown on the return, reduced by the credits under KRS 141.350, is greater than the estimated tax shown in a declaration previously made or, in the last amendment thereof, such return shall, for the purposes of this section, be considered as the amendment of the declaration permitted by subsection (4) to be filed on or before such January 15.

(6) The department shall promulgate regulations governing reasonable extensions of time for filing declarations and paying the estimated tax. Except in the case of taxpayers who are abroad, no such extension shall be for more than six (6) months.

(7) If the taxpayer is unable to make his own declaration, the declaration shall be made by a duly authorized agent or by the guardian, *conservator* or other person charged with the care of the person or property of such taxpayer.

(8) For the purposes of KRS 131.190, a declaration of estimated tax shall be held and considered a return of income under this chapter.

Section 67. KRS 184.170 is amended to read as follows:

If any property against which an assessment has been levied is owned by an infant, by a person *adjudged disabled* [of unsound mind] or a life tenant, the agreement herein provided for may be executed by the statutory guardian of such infant or the *guardian, conservator* [committee] or curator of such *mentally disabled* [insane] person, with the same effect as if executed by a person free from disability, or by the life tenant, whose agreement shall be binding upon the owner of the fee.

Section 68. KRS 190.047 is amended to read as follows:

(1) Unless a franchise specifically states to the contrary, no franchise or any interest therein may be sold, transferred, or assigned without the approval of the manufacturer or distributor.

(2) A dealer desiring to sell, transfer or assign all or any portion of his franchise shall submit a written proposal of such sale, transfer or assignment to the manufacturer or distributor, and approval of such proposal shall not be arbitrarily or unreasonably withheld.

(3) The refusal of the manufacturer or the distributor to approve a proposed sale, transfer or assignment shall be subject to review by the bureau, provided a written application for review is filed with the bureau, with notice to the manufacturer or distributor, within thirty days of the date of such refusal and such refusal shall not be final until the bureau, after a hearing has been held in accordance with the provisions of KRS 190.057, has determined that the approval was not arbitrarily or unreasonably withheld. The bureau shall make such determination within ninety days after the application for review has been filed with the bureau.

(4) The burden of proof shall be on the dealer to show that the approval of the sale, transfer or assignment of any interest in the franchise was arbitrarily or unreasonably withheld. Factors to be considered in determining whether the manufacturer or distributor acted arbitrarily or unreasonably shall include whether the basic financial and facility requirements of the franchise will be met by the proposed transfer,

sale or assignment and that the proposed purchaser, transferee or assignee is capable of operating, managing and supervising the operation of the business in question.

(5) Failure of the manufacturer or distributor to abide by the final order of the department or to continue the franchise in effect pending the final determination of the issue by the bureau shall be cause for the bureau to refuse to issue a subsequent license in the same county or franchise area to an applicant who will be selling the same motor vehicles as the former dealer for the same manufacturer or distributor.

(6) Notwithstanding the provisions of KRS 190.010(2)(a), the provisions of this section shall apply to the personal representative, executor or administrator of the estate of an individual who had an interest in a franchise, or to the *guardian or conservator* [committee] of an individual who has been declared *mentally disabled* [incompetent] and who has such an interest for one year following appointment.

Section 69. KRS 199.500 is amended to read as follows:

(1) No adoption shall be granted without the sworn consent of the living parent or parents of a legitimate child or the mother of the child born out of wedlock, or the father of the child born out of wedlock if paternity is established in a legal action or if an affidavit is filed stating that the affiant is the father of the child, except that such consent of the living parent or parents shall not be required if:

(a) Such parent or parents have been adjudged *mentally disabled* [incompetent] and such judgment shall have been in effect for not less than one (1) year prior to the filing of the petition for adoption;

(b) The parental rights of such parents have been terminated under KRS 199.600 to 199.630; or

(c) The living parents are divorced and the parental rights of one (1) parent have been terminated under KRS 199.600 and consent has been given by the parent having custody and control of the child.

(2) A minor parent who is a party defendant may consent to an adoption but a guardian ad litem for such parent shall be appointed.

(3) In the case of a child twelve (12) years of age or older, the consent of the child shall be given in court, provided that the court in its discretion may waive this requirement.

(4) Notwithstanding the provisions of subsection (1) of this section, an adoption may be granted without the consent of the natural living parents of a child if it is pleaded and proved as a part of the adoption proceedings that any of the provisions of subsections (1) or (2) of KRS 199.600 exist with respect to such child.

(5) In no case shall an adoption be granted or a consent for adoption be held valid if such consent for adoption is given prior to the fifth day after the birth of the child.

Section 70. KRS 202A.170 is amended to read as follows:

(1) The chief medical officer of the hospital shall provide reasonable means and arrangements for informing voluntary and involuntary patients of their rights as provided in this chapter.

(2) Voluntary patients shall be informed of their rights to release under this chapter and arrangements shall be made for assisting voluntary patients in making and presenting requests for release.

(3) Any individual who has been involuntarily hospitalized under the provisions of this chapter or KRS Chapter 203 or 210 shall be entitled to a writ of habeas corpus upon proper petition by himself or a friend to any court generally empowered to issue the writ of habeas corpus in the county in which he is detained.

(4) Subject to the general rules and regulations of the hospital any patient voluntarily or involuntarily hospitalized under any section of this chapter or KRS Chapter 203 or 210 may exercise all civil rights including but not limited to the right to dispose of property, execute instruments, make purchases, enter into contractual relationships and vote unless he has been adjudicated *mentally disabled* [incompetent] and has not been restored to legal capacity. Each patient has the right to communicate by sealed mail. Each patient, notwithstanding any limitations authorized under this section on the right of communication, shall have the right to communicate by sealed mail with his attorney, the court, and the office of the secretary at the expense of the department.

Section 71. KRS 209.070 is amended to read as follows:

No adult may be adjudicated *mentally disabled* [incompetent] or committed to a mental institution under this chapter.

Section 72. KRS 210.270 is amended to read as follows:

(1) The secretary for human resources is authorized to designate such private homes, private nursing homes and private institutions as he shall deem, after a thorough investigation of the personal and financial qualifications of the owners and tenants, the facilities and management, and the desirability of the location of such homes, to be suitable for the placement of patients, including the mentally ill and mentally handicapped and retarded of all ages. outside of the state mental hospitals. The secretary for human resources is authorized to prescribe, from time to time by regulation, standards for the selection and operation of private homes, private nursing homes and private institutions designated for the placement of patients. No home of an officer or employe of the department for human resources or of a member of his immediate family shall be designated for the placement of patients.

(2) Whenever the staff of a state mental hospital has determined that a patient who is not being held on an order rising out of a criminal offense has sufficiently improved and is not dangerous to himself

or other persons, and that it would be in the patient's best interest to be placed outside of the hospital in a private home or private nursing home, the hospital shall so certify to the secretary for human resources, who may then authorize the patient to be transferred to a designated private home or private nursing home for care and custody for such length of time as the secretary deems advisable.

(3) No mentally retarded patient lodged in a state institution may have his level of care reclassified nor may he be transferred to a private nursing home or other private institution without first providing ten (10) days notice by registered or certified mail return receipt requested to the patient's parents or guardian or *conservator* [committee] that a reclassification of the patient's level of care or a transfer in the place of residence is being considered.

(4) Any parent or guardian or *conservator* [committee] of any mentally retarded patient lodged in a state institution may participate in any evaluation procedure which may result in a reclassification of such patient's level of care or in a transfer in the place of residence of such patient. Such participation may include the submission by the parents or guardian or *conservator* [committee] of medical evidence or any other evidence deemed relevant by the parents or guardian or *conservator* [committee] to the possible reclassification or transfer of such patient.

(5) If the decision to reclassify or transfer any mentally retarded patient is adverse to the best interests of such patient as expressed by the parents or guardian or *conservator* [committee], they shall be given notice by registered or certified mail return receipt requested that they are entitled to a thirty (30) day period from the receipt of such notice to file with the secretary for human resources a notice of appeal and application for a hearing.

(6) The appeal shall be heard by a three (3) member panel composed of a designated representative of the department for human resources, a designated representative of the state institution where the mentally retarded patient is presently lodged, and a designated neutral representative appointed by the county judge/executive wherein the institution in question is located.

(7) Decisions made by the panel may be appealed, within thirty (30) days from the date of decision, to the circuit court of the county wherein the state institution in question is located, to the circuit court of the county wherein either of the parents or guardians or committee of the patient in question is domiciled at the time of the decision, or to Franklin Circuit Court.

(8) All parents or guardians or committee of a mentally retarded patient lodged in a state institution shall be fully apprised by the department for human resources of their rights and duties under the provisions of subsections (3), (4), (5), (6), and (7) of this section.

(9) The provisions of KRS 210.275, 203.080, 210.310, and 210.320 shall apply to patients transferred to designated private homes and private nursing homes as though such patients were residing in a state mental hospital.

Section 73. KRS 210.290 is amended to read as follows:

(1) The department for human resources may be appointed and act as executor, administrator, guardian, *limited guardian, conservator or limited conservator* [committee, or special committee] as provided in this section. In this capacity the department may transact business in the same manner as any individual and for this purpose may sue and be sued in any of the courts of the state. Bond shall not be required of the department.

(2) *Whenever a resident of the state is determined to be mentally partially disabled or disabled and no other suitable person or entity is available and willing to act as limited guardian,guardian, limited conservator, or conservator, the department, acting through its designated officer, may apply to the district court of the county in which the determination is made for appointment as limited guardian, guardian, limited conservator, or conservator for such mentally disabled or partially disabled person* [Whenever a person who has been adjudged incompetent and committed to the department for placement in a state mental hospital or institution for the mentally defective, or any non-institutionalized person who has been adjudged incompetent, has no committee, the department, acting through its designated officer, may apply to the district court of the county in which the adjudication was made for its appointment as committee for such incompetent person].

(3) Upon the death of a person for whom the department has been appointed committee, or upon the death of a person who has been committed to the department leaving an estate and having no relatives at the time residing within the state, the department may apply for appointment as administrator and upon appointment shall close the administration of the estate.

(4) The department may invest funds held as fiduciary in bonds or other securities guaranteed by the United States, and may sell or exchange such securities in its discretion.

(5) The department shall receive such fees for its fiduciary services as provided by law. These fees shall be placed in a trust and agency account, from which may be drawn expenses for filing fees, court costs and other expenses incurred in the administration of estates. Claims of the department against the estates shall be considered in the same manner as any other claim.

(6) An officer designated by the secretary may act as legal counsel for any patient in a state mental hospital or institution against whom a suit of any nature has been filed, without being appointed as *guardian, limited guardian, conservator or limited conservator* [committee].

(7) Patients hospitalized pursuant to KRS Chapters 202A and 202B who are not adjudged mentally *disabled or partially disabled* [incompetent] may authorize the department for human resources to handle personal funds received by them at the hospital in the same manner as prescribed in subsections (4) and (5) of this section.

Section 74. KRS 210.405 is amended to read as follows:

(1) Any regional community mental health-mental retardation board established pursuant to KRS 210.380 and recognized by the secretary for human resources may be appointed and act as executor, administrator, guardian, *limited guardian, conservator or limited conservator* [or committee], as provided in this section. In this capacity, the board may transact business in the same manner as any individual and for this purpose may sue and be sued in any of the courts of the state. Bond shall not be required of the board.

(2) Whenever a person who has been adjudged *mentally disabled* [incompetent] and requires mental health services has no *guardian or conservator* [committee], the board, acting through its designated officer, may apply to the district court of the county in which the adjudication was made for its appointment as *guardian or conservator* [committee] for such *mentally disabled* [incompetent] person. The board may also apply to be substituted as *guardian or conservator* [committee] for *a mentally disabled person* [an incompetent] whose *guardian or conservator* [committee] is the department for human resources and who has been discharged or whose discharge is imminent from a department for human resources facility.

(3) Upon the death of a person for whom the board has been appointed *guardian or conservator* [committee] leaving an estate and having no relatives at the time residing within the state, the board may apply for appointment as administrator and upon appointment shall close the administration of the estate.

(4) The board may invest funds held as fiduciary in bonds or other securities guaranteed by the United States, and may sell or exchange such securities in its discretion.

(5) The board shall receive such fees for its fiduciary services as provided by law. These fees shall be placed in a trust and agency account, from which may be drawn expenses for filing fees, court costs and other expenses incurred in the administration of estates. Claims of the board against the estates shall be considered in the same manner as any other claim.

Section 75. KRS 211.900 is amended to read as follows:

As used in KRS 211.900 to 211.905 and 211.994, unless the context otherwise requires:

(1) "Department" shall mean the Department for Human Resources;

(2) "Secretary" shall mean the Secretary for Human Resources or his authorized representative;

(3) "Lead based substance" shall mean any substance containing more than 0.06% lead by weight of nonvolatile content as provided in KRS 217.801;

(4) "Dwelling" shall mean any structure, all or a part of which is designed for human habitation;

(5) "Dwelling unit" shall mean any room or group of rooms or other interior areas of a dwelling designed or used for human habitation;

(6) "Owner" shall mean any person who, alone, jointly, or severally with others, has legal title to, charge, care, or control of any dwelling or dwelling unit as owner, agent of the owner, or as executor, administrator, trustee, *conservator* or guardian of the estate of the owner;

(7) "At risk persons" shall mean those persons who reside in dwellings or dwelling units which were constructed and originally painted prior to 1945 or other dwellings in geographic areas in which a high content of lead in paint was used and a high incidence of lead poisoning may be reasonably expected or has been reported; and

(8) "Outreach programs" shall mean those efforts to locate, screen, and diagnose for elevated lead blood levels, those at risk persons who are not utilizing existing screening and diagnostic programs or those programs which may be established after June 21, 1974.

Section 76. KRS 212.345 is amended to read as follows:

Before any person in the commonwealth may have a nontherapeutic sterilization performed upon himself, he shall give written informed consent to the performance of the sterilization. To be valid such consent document shall be endorsed by the following persons in the following instances:

(1) By the consenting individual in all cases;

(2) By the adult parent or guardian of the consenting individual if such be a minor child and unmarried;

(3) By the *guardian* [committee] of the consenting individual if such be an *mentally disabled* [incompetent] person.

Section 77. KRS 216.515 is amended to read as follows:

Every resident in a long-term care facility shall have at least the following rights:

(1) Before admission to a long-term care facility, the resident and his responsible family member or his guardian [or his committee] shall be fully informed in writing as evidenced by the resident's written

acknowledgment and that of his responsible family member or his guardian [or his committee] of all services available at the long-term care facility. Every long-term care facility shall keep the original document of each written acknowledgment in the resident's personal file.

(2) Before admission to a long-term care facility, the resident and his responsible family member or his guardian [or his committee] shall be fully informed in writing, as evidenced by the resident's written acknowledgment and that of his responsible family member or his guardian [or his committee] of all resident's responsibilities and rights as defined in KRS 216.515 to 216.530. Every long-term care facility shall keep the original document of each written acknowledgment in the resident's personal file.

(3) The resident and his responsible family member or his guardian [or his committee] shall be fully informed in writing, as evidenced by the resident's written acknowledgment and that of his responsible family member, or his guardian [or his committee] prior to or at the time of admission and quarterly during the resident's stay at the facility of all service charges for which the resident and his responsible family member or his guardian [or his committee] are responsible for paying. The resident and his responsible family member or his guardian [or his committee] shall have the right to file complaints concerning charges which they deem unjustified to appropriate local and state consumer protection agencies. Every long-term care facility shall keep the original document of each written acknowledgment in the resident's personal file.

(4) The resident shall be transferred or discharged only for medical reasons, or his own welfare, or that of the other residents, or for nonpayment, except where prohibited by law or regulation. Reasonable notice of such action shall be given to the resident and his responsible family member or his guardian [or his committee].

(5) All residents shall be encouraged and assisted throughout their periods of stay in long-term care facilities to exercise their rights as a resident and a citizen, and to this end may voice grievances and recommend changes in policies and services to facility staff and to outside representatives of their choice, free from restraint, interference, coercion, discrimination or reprisal.

(6) All residents shall be free from mental and physical abuse, and free from chemical and physical restraints except in emergencies or except as thoroughly justified in writing by a physician for a specified and limited period of time and documented in the resident's medical record.

(7) All residents shall have confidential treatment of their medical and personal records. Each resident and his responsible family member or his guardian [or his committee] shall approve or refuse the release of such records to any individuals outside the facility, except as otherwise specified by statute or regulation.

(8) Each resident may manage the use of his personal funds. If the facility accepts the responsibility for managing the resident's personal funds as evidenced by the facility's written acknowledgment, proper accounting and monitoring of such funds shall be made. This shall include each facility giving quarterly itemized statements to the resident and his responsible family member or his guardian [or his committee] which detail the status of the resident's personal funds and any transactions in which such funds have been received or disbursed. The facility shall return to the resident his valuables, personal possessions and any unused balance of monies from his account at the time of his transfer or discharge from the facility. In case of death or for valid reasons when he is transferred or discharged the resident's valuables, personal possessions and funds that the facility is not liable for shall be promptly returned to the resident's responsible family member, or his guardian, [or his committee,] or his executor.

(9) If a resident is married, privacy shall be assured for spouse's visits and if they are both residents in the facility, they may share the same room unless they are in different levels of care or unless medically contraindicated and documented by a physician in the resident's medical record.

(10) Residents shall not be required to perform services for the facility that are not included for therapeutic purposes in their plan of care.

(11) Residents may associate and communicate privately with persons of their choice and send and receive personal mail unopened.

(12) Residents may retain the use of their personal clothing unless it would infringe upon the rights of others.

(13) No responsible resident shall be detained against his will. Residents shall be permitted and encouraged to go outdoors and leave the premises as they wish unless a legitimate reason can be shown and documented for refusing such activity.

(14) Residents shall be permitted to participate in activities of social, religious, and community groups at their discretion.

(15) Residents shall be assured of at least visual privacy in multi-bed rooms and in tub, shower, and toilet rooms.

(16) The resident and his responsible family member or his guardian [or his committee] shall be permitted the choice of a physician.

(17) If the resident is adjudicated *mentally disabled* [incompetent] in accordance with state law, the resident's guardian [or committee] shall act on the resident's behalf in order that his rights be implemented.

(18) Each resident shall be treated with consideration, respect, and full recognition of his dignity and individuality, including privacy in treatment and in care for his personal needs.

(19) Every resident and his responsible family member or his guardian [or his committee] has the right to be fully informed of the resident's medical condition unless medically contraindicated and documented by a physician in the resident's medical record.

(20) Residents have the right to be suitably dressed at all times and given assistance when needed in maintaining body hygiene and good grooming.

(21) Residents shall have access to a telephone at a convenient location within the facility for making and receiving telephone calls.

(22) The resident's responsible family member or his guardian [or his committee] shall be notified immediately of any accident, sudden illness, disease, unexplained absence, or anything unusual involving the resident.

(23) Residents have the right to have private meetings with the appropriate long-term care facility inspectors from the department for human resources.

(24) Each resident and his responsible family member or his guardian [or his committee] has the right to have access to all inspection reports on the facility.

(25) The above-stated rights shall apply in all cases unless medically contraindicated and documented by a physician in writing in the resident's medical record.

Section 78. KRS 216.520 is amended to read as follows:

For the purpose of supplementing the rights of residents in long-term care facilities, such facilities shall take the following actions:

(1) Every long-term care facility shall conspicuously post throughout the facility a listing of the resident's rights and responsibilities as defined in KRS 216.515 to 216.525.

(2) Every long-term care facility shall develop and implement a mechanism which will allow each resident and his responsible family member or his guardian [or his committee] to participate in the planning of the resident's care. Each resident shall be encouraged and provided assistance in the planning of his care.

(3) All long-term care facilities shall establish written procedures for the submission and resolution of complaints and recommendations by the resident and his responsible family member or his guardian [or his committee]. Such policies shall be conspicuously displayed throughout the facility pending approval of their adequacy by the department.

(4) Every long-term care facility shall prepare a written plan and provide appropriate staff training to implement each of the resident's rights as defined in KRS 216.515 to 216.525.

(5) All long-term care facilities shall maintain in their facilities one copy of the most recent inspection report as prepared by the department for human resources. The department shall provide all long-term care facilities with one copy of the most recent inspection report.

Section 79. KRS 216.525 is amended to read as follows:

For the purpose of supplementing, monitoring and enforcing the rights of residents in long-term care facilities, the department shall take the following actions:

(1) The department shall design and distribute posters to all long-term care facilities which clearly detail how the resident and his responsible family member or his guardian [or his committee] or a visitor may make a written or oral complaint, anonymously if they so choose, to the department in regard to the quality of care given by a particular facility. These posters shall be conspicuously displayed throughout each long-term care facility.

(2) The department shall take appropriate and necessary actions to insure that all of the rights of residents in long-term care facilities as defined by KRS 216.515 to 216.525 are upheld.

Section 80. KRS 243.640 is amended to read as follows:

(1) If a corporation or partnership that holds a license under KRS 243.020 to 243.670 is dissolved, or if a receiver, assignee for the benefit of creditors or a *guardian or conservator* [committee] for the property of a licensee under those sections is appointed during the time for which a license was granted, or if a licensee under those sections dies during the time for which the license was issued and a personal representative is appointed for his estate, that corporation, partnership, receiver or assignee, or the deceased or individual adjudged to be *mentally disabled* [incompetent], may be permitted to continue the business upon the licensed premises for the balance of the term for which the license was effective, with the same rights and subject to the same restrictions and liabilities as if he had been the original licensee.

(2) Before continuing the business the receiver, assignee, personal representative or committee shall file a statement setting forth in such form as the board prescribes the facts and circumstances by which he has succeeded to the rights of the original licensee. The state administrator of the unit that issued the original license may, in the exercise of his sound discretion, permit or refuse to permit the continuance of the business.

(3) If the administrator permits the continuance of the business the license shall be submitted to him, and he shall write or stamp across the face of the license the words: ".... is permitted to exercise the rights and privileges of the original licensee as (assignee, receiver, personal representative or committee, as the case may be) of the original licensee for the unexpired term of this license." The indorsement on the face of the license shall be dated and signed by the person making it.

(4) The applicant shall pay a fee of five dollars ($5.00) for the indorsement.

Section 81. KRS 258.065 is amended to read as follows:

Every physician shall, within twelve (12) hours after his first professional attendance of a person bitten by a dog, cat or other animal report to the local health department the name, age, sex, color, and precise location of the person so bitten. If a child is bitten and no physician attends, the report shall be made by his parents, [or] guardian *or conservator*. If an adult is bitten and no physician attends, he or the person caring for him shall make the report.

Section 82. KRS 262.010 is amended to read as follows:

(1) "Board" means the board of supervisors of a conservation district;

(2) "Commission" means the Conservation Commission;

(3) "District" means a Conservation District whenever used in KRS 262.010 through 262.660 or a Watershed Conservancy District whenever used in KRS 262.700 through 262.795;

(4) "Due notice" means notice published in accordance with the legal notice provisions of KRS Chapter 424.

(5) "Land occupier" or "occupier of land" includes any person other than the land owner who is in possession of any lands lying within the district, whether as lessee or otherwise;

(6) "Land owner" or "owner of land" includes any person who holds legal or equitable title to the land within the district determined as follows:

(a) By his, her, or their names appearing on the recorded deed to the land;

(b) By title derived through a probated will or by the laws of descent and distribution under KRS Chapter 391;

(c) Where a minor or *person adjudged mentally disabled* [legally incompetent person] is the owner of land within the district, the guardian *or conservator* or whoever has the power of attorney shall have the right to vote for such land owner under the provisions of KRS Chapter 262;

(d) Where the will has not been probated by the date of the referendum or election as provided in KRS Chapter 262, the executor of the deceased land owner shall have the right to vote for the devisee or devisees;

(e) Where the land within the districts is held in trust, the trustee shall have the right to vote for the land owner under the provisions of KRS Chapter 262;

(f) A land owner shall be entitled to but one vote whenever he is given the right to vote under KRS Chapter 262 regardless of the number of tracts or parcels of land which he owns either wholly or in part, within the district;

(g) Where a trustee, executor, guardian, *conservator* or other person with authority to vote for a land owner exercises such duty in relation to two or more estates or tracts of land, within a district, such person shall have the right to vote separately for each such land owner which he represents within the district;

(h) In the case of a dispute as to whether or not a person has the right to vote in an election or referendum under the provisions of KRS Chapter 262, the person seeking such right must provide to the satisfaction of the polling superintendent that he has the right to vote under this section.

(7) "Supervisor" means one of the members of the governing body of a Conservation District.

Section 83. KRS 266.040 is amended to read as follows:

The commissioners shall:

(1) Proceed at the time set in the order, with a surveyor who is a civil engineer, to view out and make an accurate survey of the line of the proposed levee from its starting point to its terminus, marking and platting its route by courses and distances, and ascertain the amount of land required to erect the levee at the various points along its line, not exceeding one thousand (1,000) feet in width at any point.

(2) Ascertain the names and residences of the owners and tenants of the land, and those who are infants, or [incompetent] persons *adjudged mentally disabled*.

(3) Assess a just compensation to each owner and tenant for the land required and sought to be appropriated for the establishment of the levee, and the damages to the residue of the tracts beyond the consequential benefits which will be derived to such residue from the levee. If a person has only an estate for life or years in the land and the remainder in fee belongs to another, the commissioners shall apportion the damages between them.

(4) Make a signed written report to the court, setting forth the information obtained under subsections (1), (2) and (3) of this section, with a map or diagram of the proposed route of the levee, and stating whether or not the proposed levee will be conducive to the public health, convenience or welfare, or whether it will be of public benefit or utility. If the commissioners find that the proposed levee is not of public benefit or utility, their report need only state that finding.

Section 84. KRS 268.070 is amended to read as follows:

(1) The viewers shall examine the property in the territory described in the petition, and any other property that may be affected by the establishment of the district or that may be necessary to locate any of the work that in their judgment may become necessary. They may make any survey necessary to determine the boundaries and elevations of parts of the district, and the course of all drains and levees therein.

(2) They shall file with the clerk of the court in which the proceedings are pending, within thirty (30) days from the date of their qualification unless the time is extended by order of the court, a written report and two (2) copies thereof, covering the following matters:

(a) Whether the proposed improvement will result in public benefit or utility, or whether the public health, convenience or welfare will be promoted.

(b) Whether the proposed improvement will benefit the cities or property sought to be benefited.

(c) Whether all of the property that will be benefited is included in the proposed district, as described in the petition.

(3) If the viewers find that any of the property described in the petition will not be benefited, they shall specifically describe that property, giving the name of the owner if known, so that the court may know definitely what property will not be benefited. If the viewers find any property not included in the petition that will be benefited or affected by the proposed improvement they shall so report, giving the name of the owner, and the description of the property. If any city will, in their opinion, be affected they shall so state in their report.

(4) Their report shall describe with accuracy the property which shall, in their opinion, be embraced in the proposed district by giving a boundary description thereof by metes and bounds, courses and distances. This report shall be accompanied by a map, showing in the same way the property proposed by them to be embraced in the district. They shall also state the names of all persons and cities owning property in the proposed district, giving the post office address of each person if known, if not, the last known post office address, or if this fact cannot be ascertained they shall so state. They shall also state the approximate quantity of property each owns.

(5) They shall state in their report whether the owner of any property that will be affected by the establishment of the district is an infant or whether he is under any other disability except coverture, and if an infant, whether he is under or over the age of fourteen (14) years. They shall also state the name of the guardian, curator or *conservator* [committee] of each such person, the place where both the person and his guardian, curator or *conservator* [committee] resides, and whether either of his parents are living, and who has custody.

(6) They shall recommend in their report whether or not the proposed district should be established. The report shall be signed and sworn to by at least two (2) of the viewers. Each of the three (3) copies of the report shall be received and kept by the clerk of the court in which the proceeding is pending. This report may be amended by viewers any time before final hearing.

Section 85. KRS 271A.165 is amended to read as follows:

(1) Each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders, except as may be otherwise provided in the articles of incorporation. If the articles of incorporation provide for more or less than one vote for any share, on any matter, every reference in this chapter to a majority or other proportion of shares shall refer to such a majority or other proportion of votes entitled to be cast.

(2) Neither treasury shares, nor shares held by another corporation if a majority of the shares entitled to vote for the election of directors of such other corporation is held by the corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time.

(3) A shareholder may vote either in person or by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy, but in no event shall a proxy, unless coupled with an interest, be voted on after three years from the date of its execution. The revocation of a proxy shall not be effective until the secretary of the corporation has received written notice of the revocation.

(4) At each election for directors each shareholder entitled to vote at such election shall have the right to cast, in person or by proxy, as many votes in the aggregate as he shall be entitled to vote under the corporation's articles of incorporation, multiplied by the number of directors to be elected at such election; and each shareholder may cast the whole number of votes for one candidate, or distribute such votes among two or more candidates. Such directors shall not be elected in any other manner.

(5) Shares standing in the name of another corporation, domestic or foreign, may be voted by either the president of such corporation or by proxy appointed by him unless some other person produces a certified copy of a resolution of the board of directors of such other corporation authorizing such other person to vote such shares.

(6) Shares held by an administrator, executor, guardian, *or* conservator [or committee] may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name.

(7) Where shares are held jointly by three or more fiduciaries acting under an instrument becoming effective after June 30, 1946, the will of the majority of such fiduciaries shall control the manner of voting or the giving of a proxy unless the instrument or order appointing the fiduciaries otherwise directs. Where,

in any case, fiduciaries are equally divided upon the manner of voting shares jointly held by them, any court of competent jurisdiction may, upon petition filed by any of the fiduciaries, or by any beneficiary, appoint an additional person to act with the fiduciaries in determining the manner in which the shares shall be voted upon the particular questions as to which the fiduciaries are divided.

(8) Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

(9) A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

(10) On and after the date on which written notice of redemption of redeemable shares has been mailed to the holders thereof and a sum sufficient to redeem such shares has been deposited with a bank or trust company with irrevocable instruction and authority to pay the redemption price to the holders thereof upon surrender of certificates therefor, such shares shall not be entitled to vote on any matter and shall not be deemed to be outstanding shares.

Section 86. KRS 287.210 is amended to read as follows:

Any trust company organized under the laws of this state may:

(1) Be appointed and act as guardian of infants, executors, administrator or curator of estates of decedents, *guardian or conservators* [committee] of persons *adjudged mentally disabled* [of unsound mind], receiver or trustee for persons or estates;

(2) Act as agent for the transaction of any business or the management of estates, the collection of rents, accounts, interest, dividends, notes, bonds, securities for money and debts, and demands of every character;

(3) Receive on deposit and for safekeeping, gold, silver, jewelry, money and other personal property of every kind, and shall have a lien upon all personal property deposited with it for its charge.

Section 87. KRS 287.212 is amended to read as follows:

(1) Notwithstanding any other provision of law, any bank or trust company, when acting as a fiduciary or when holding securities as custodian for a fiduciary, is authorized to deposit, or arrange for the deposit, with the federal reserve bank in its district of any securities, the principal and interest of which the United States or any department, agency or instrumentality thereof has agreed to pay, or has guaranteed payment, to be credited to one or more accounts on the books of said federal reserve bank in the name of such bank or trust company, to be designated fiduciary or safekeeping accounts, to which account other similar securities may be credited. A bank or trust company so depositing securities with a federal reserve bank shall be subject to such rules and regulations with respect to the making and maintenance of such deposit as, in the case of a bank or trust company organized under the laws of this state, the commissioner of banking and securities, and, in the case of the national banking associations, the comptroller of the currency, may from time to time issue. The records of such bank or trust company shall at all times show the ownership of the securities held in such account. Ownership of, and other interests in, the securities credited to such account may be transferred by entries on the books of said federal reserve bank without physical delivery of any securities. A bank or trust company acting as custodian for a fiduciary shall, on demand by the fiduciary, certify in writing to the fiduciary the securities so deposited by such bank or trust company with such federal reserve bank for the account of such fiduciary. A fiduciary shall, on demand by any party, to its accounting or on demand by the attorney for such party, certify in writing to such party the securities deposited by such fiduciary with such federal reserve bank for its account as such fiduciary.

(2) This section shall apply to any fiduciary, and any custodian for fiduciaries, acting on June 21, 1974, or who thereafter may act regardless of the date of the agreement, instrument or court order by which it is appointed.

(3) As used in this section, "fiduciary" includes an executor, administrator, trustee under any trust, express, implied, resulting or constructive, guardian, conservator, [committee,] receiver, trustee in bankruptcy, assignee for the benefit of creditors, partner, agent, officer of a corporation, public or private, public officer or any other person acting in a fiduciary capacity for any person, trust or estate.

Section 88. KRS 287.225 is amended to read as follows:

(1) Any bank or trust company when acting as executor, administrator, guardian, *conservator* [committee], agent, or trustee, whether alone or jointly with an individual or individuals, may with the consent of the individual fiduciary or fiduciaries, if any (who are hereby authorized to give such consent), cause any stock or other securities held in any such capacity to be registered and held in the name of a nominee or nominees of such bank or trust company, or in its own name.

(2) Any such bank or trust company shall be absolutely liable for any loss occasioned by the acts of any nominees of such bank or trust company with respect to such stock or other securities so registered. But no liability for any loss occasioned by the acts of any such bank or trust company, or the nominee of either of them with respect to such stock or securities so registered, shall be imposed upon the corporation,

its transfer agent or registrar, which registers its stock or other securities in the name of such bank or trust company, or the nominee of either of them, in accordance with the provisions of this section.

(3) The records of such bank or trust company shall at all times show the ownership of any such stock or other securities. Such stock or other securities shall at all times be kept separate and apart from the assets of such bank or trust company.

Section 89. KRS 292.330 is amended to read as follows:

(1) It is unlawful for any person to transact business in this state as a broker-dealer or agent, unless he is registered under this chapter. It is unlawful for any broker-dealer or issuer to employ an agent unless the agent is registered. It is unlawful for any person to transact business in this state as an investment adviser unless:

(a) he is so registered under this chapter, or

(b) he is registered as a broker-dealer under this chapter, or

(c) his only clients in this state are investment companies as defined in the Investment Company Act of 1940 or insurance companies.

(2) A broker-dealer, agent, or investment adviser may apply for registration by filing with the director an application together with a consent to service of process pursuant to KRS 292.430 and payment of the fee prescribed in subsection (10). Registration of a broker-dealer automatically constitutes registration of any agent who is a partner, officer or director or a person occupying a similar status or performing similar functions (except any partner, officer or director or other such person whose registration as an agent is denied, suspended or revoked under subsection (12)) without the filing of applications for registration as agents or the payment of fees for registration as agents. The application shall contain whatever information the director requires concerning such matters as:

(a) The applicant's form and place of organization;

(b) The applicant's proposed method of doing business;

(c) The qualifications and business history of the applicant and in the case of a broker-dealer or investment adviser, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser; and in the case of an investment adviser, the qualifications and business history of an employe;

(d) Any injunction or administrative order or conviction of a misdemeanor involving a security or any aspect of the securities business and any conviction of a felony; and

(e) The applicant's financial condition and history.

(3) If no denial order is in effect and no proceeding is pending under subsection (12), registration becomes effective at noon of the thirtieth day after an application is filed. The director may specify an earlier effective date and he may by order defer the effective date until noon of the thirtieth day after the filing of any amendment.

(4) The director may require as a condition of registration that the applicant (and, in the case of a corporation or partnership, the officers, directors or partners) pass a written examination as evidence of knowledge of the securities business.

(5) The director may by rule require the existence and maintenance of a minimum liquid net capital for registered broker-dealers and investment advisers and a minimum ratio between net capital and aggregate indebtedness, or both.

(6) The director may by rule require registered broker-dealers, agents and investment advisers to post surety bonds in an amount up to $25,000, and may determine their conditions, except under this subsection that no such bond may be required of any registrant whose net capital exceeds $100,000. An appropriate deposit of cash or securities shall be accepted in lieu of any required surety bond. Every surety bond shall provide for suit thereon by any person who has a cause of action under KRS 292.480, and every such bond shall provide that no suit may be maintained to enforce any liability on the bond unless brought within two (2) years after the sale or other act upon which it is based.

(7) The director may by rule require registered broker-dealers to carry fidelity bonds, covering its agents, general partners, and officers, in such form, covering such risks, and in such amounts (not exceeding $250,000) as he deems necessary for the protection of the public; and he may by rule require registered broker-dealers to furnish satisfactory evidence that they have such bonds.

(8) Every registration of a broker-dealer, agent or investment adviser shall be effective until March 1 of the following year and may be renewed as hereinafter provided. The registration of an agent is not effective during any period when he is not associated with an issuer or a registered broker-dealer specified in his application or a notice filed with the director. When an agent begins or terminates a connection with an issuer or registered broker-dealer, the agent and the issuer or broker-dealer shall promptly notify the director.

(9) Registration of a broker-dealer, agent or investment adviser may be renewed by filing with the director prior to the expiration thereof an application containing such information as the director may require to indicate any material change in the information contained in the original application or any renewal application for registration as a broker-dealer, agent or investment adviser filed with the director by the applicant,

payment of the prescribed fee and, in the case of a broker-dealer, a financial statement showing the financial condition of such broker-dealer as of a date within ninety (90) days. A registered broker-dealer or investment adviser may file an application for registration of a successor, whether or not the successor is then in existence, for the unexpired portion of the year without payment of any fee.

(10) The fee for initial or renewal registration shall be one hundred dollars ($100) for a broker-dealer, fifty dollars ($50.00) for an investment adviser, fifteen dollars ($15.00) for an agent, and five dollars ($5.00) for transfer of an agent, none of which fees shall be refundable.

(11) (a) Every registered broker-dealer and investment adviser shall make and keep all accounts, correspondence, memoranda, papers, books, and other records which the director by rule prescribes. All records required shall be preserved for three (3) years unless the director by rule prescribes otherwise for particular types of records. All required records shall be kept within this state or shall, at the request of the director, be made available at any time for examination by him either in the principal office of the registrant or by production of exact copies thereof in this state.

(b) Every registered broker-dealer and investment adviser shall file such reports as the director by rule prescribes.

(c) If the information contained in any document filed with the director is or becomes inaccurate or incomplete in any material respect, the broker-dealer shall promptly file a correcting amendment.

(d) The director may make periodic examinations, within or without this state, of each broker-dealer and investment adviser at such times and in such scope as he determines. These examinations may be made without prior notice to the broker-dealer or investment adviser. The expense reasonably attributable to any such examination shall be paid by the broker-dealer or investment adviser whose business is examined but the expense so payable shall not exceed an amount which the director by rule prescribes. For the purpose of avoiding unnecessary duplication of examinations, the director, insofar as he deems it practicable in administering this subsection, may cooperate with securities administrators of other states, the securities and exchange commission, and any national securities exchange or national securities association registered under the Securities Exchange Act of 1934.

(e) The director may by rule prohibit unreasonable charges, profits, commissions or other compensation of broker-dealers and investment advisers.

(f) The director may prescribe rules for the conduct of business by broker-dealers and investment advisers which he finds appropriate in the public interest and for the protection of investors.

(12) (a) The director may by order deny, suspend or revoke registration of any broker-dealer, agent or investment adviser if he finds that the order is in the public interest and that the applicant or registrant or, in the case of a broker-dealer, or investment adviser, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser:

1. Has filed an application for registration under this section which, as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained any statement which was, in the light of the circumstances under which it was made, false or misleading with respect to any material fact;

2. Has wilfully violated or wilfully failed to comply with any provision of this chapter or a predecessor law or any rule or order under this chapter or a predecessor law;

3. Has been convicted, within the past ten (10) years, of any misdemeanor involving a security or any aspect of the securities business, or any felony;

4. Is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the securities business;

5. Is the subject of an order of the director denying, suspending, or revoking registration as a broker-dealer, agent, or investment adviser;

6. Is the subject of an order entered within the past five (5) years by the securities administrator of any other state or by the securities and exchange commission denying or revoking registration as a broker-dealer or agent, or the substantial equivalent of those terms as defined in this chapter, or is the subject of an order of the securities and exchange commission suspending or expelling him from a national securities exchange or national securities association registered under the Securities Exchange Act of 1934, or is the subject of a United States post-office fraud order; but a. the director may not institute a revocation or suspension proceeding under this paragraph more than one (1) year from the date of the order relied on, and b. he may not enter any order under this paragraph on the basis of an order unless that order was based on facts which would currently constitute a ground for an order under this section;

7. Has engaged in dishonest or unethical practices in the securities business;

8. Is insolvent, either in the sense that his liabilities exceed his assets or in the sense that he cannot meet his obligations as they mature; but the director may not enter an order against a broker-dealer or investment adviser under this paragraph without a finding of insolvency as to the broker-dealer or investment adviser; or

9. Is not qualified on the basis of such factors as training, experience, or knowledge of the securities business, except as provided in paragraph (b) below; or the director may by order, deny, suspend or revoke any registration if he finds that the order is in the public interest and that the applicant or registrant:

a. Has failed reasonably to supervise his agents if he is a broker-dealer or his employes if he is an investment adviser; or

b. Has failed to pay the proper filing fee; but the director may enter only a denial order under this clause, and he shall vacate any such order when the deficiency has been corrected. The director may not institute a suspension or revocation proceeding on the basis of a fact or transaction known to him when registration became effective unless the proceeding is instituted within the next thirty (30) days.

(b) The following provisions govern the application of subparagraph 9 of paragraph (a) of this subsection:

1. The director may not enter an order against a broker-dealer on the basis of the lack of qualification of any person other than the broker-dealer himself if he is an individual or an agent of the broker-dealer;

2. The director may not enter an order against an investment adviser on the basis of the lack of qualification of any person other than the investment adviser himself if he is an individual or any other person who represents the investment adviser in doing any of the acts which make him an investment adviser;

3. The director may not enter an order solely on the basis of lack of experience if the applicant or registrant is qualified by training or knowledge or both;

4. The director shall consider that an agent who will work under the supervision of a registered broker-dealer need not have the same qualifications as a broker-dealer;

5. The director shall consider that an investment adviser is not necessarily qualified solely on the basis of experience as a broker-dealer or agent. When he finds that an applicant for initial or renewal registration as a broker-dealer is not qualified as an investment adviser, he may by order condition the applicant's registration as a broker-dealer upon his not transacting business in this state as an investment adviser;

6. The director may by rule provide for an examination, which may be written or oral or both, to be taken by any class of or all applicants, as well as persons who represent or will represent an investment adviser in doing any of the acts which make him an investment adviser.

(c) The director may by order summarily postpone or suspend registration pending final determination of any proceeding under this section. Upon the entry of the order, the director shall promptly notify the applicant or registrant, as well as the employer or prospective employer if the applicant or registrant is an agent, that it has been entered and of the reasons therefor and that within fifteen (15) days after the receipt of a written request the matter will be set down for hearing. If no hearing is requested and none is ordered by the director, the order will remain in effect until it is modified or vacated by the director. If a hearing is requested or ordered, the director, after notice of and opportunity for hearing, may modify or vacate the order or extend it until final determination.

(d) If the director finds that any registrant or applicant for registration is no longer in existence or has ceased to do business as a broker-dealer, agent, or investment adviser, or is subject to an adjudication of mental *disability* [incompetence] or to the control of a [committee] conservator, or guardian, or cannot be located after reasonable search, the director may by order cancel the registration or application.

(e) Withdrawal from registration as a broker-dealer, agent, or investment adviser becomes effective thirty (30) days after receipt of an application to withdraw or within such shorter period of time as the director may determine, unless a revocation or suspension proceeding is pending when the application is filed or a proceeding to revoke or suspend or to impose conditions upon the withdrawal is instituted within thirty (30) days after the application is filed. If a proceeding is pending or instituted, withdrawal becomes effective at such time and upon such conditions as the director by order determines. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the director may nevertheless institute a revocation or suspension proceeding under subparagraph 2. of paragraph (a) of this subsection within one (1) year after withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.

(f) No order may be entered under any part of this section except the first sentence of paragraph (c) of this subsection without appropriate prior notice to the applicant or registrant (as well as the employer or prospective employer if the applicant or registrant is an agent), opportunity for hearing, and written findings of fact and conclusions of law.

Section 90. KRS 304.18-090 is amended to read as follows:

(1) Except as provided in subsection (2) of this section, all benefits under any blanket health policy or contract shall be payable to the person insured, or to his designated beneficiary or beneficiaries, or to his estate, except that if the person insured is a minor or otherwise not competent to give a valid release, such benefits may be made payable to his parent, guardian, *conservator* or other person actually supporting him.

(2) The policy may provide that all or a portion of any indemnities provided by any such policy on account of hospital, nursing, medical or surgical services may, at the option of the insurer and unless the insured requests otherwise in writing not later than the time of filing proofs of such loss, be paid directly

to the hospital or person rendering such services; but the policy may not require that the service be rendered by a particular hospital or person. Payment so made shall discharge the obligation of the insurer with respect to the amount of insurance so paid.

Section 91. KRS 304.39-060 is amended to read as follows:

(1) Any person who registers, operates, maintains or uses a motor vehicle on the public roadways of this Commonwealth shall, as a condition of such registration, operation, maintenance or use of such motor vehicle and use of the public roadways, be deemed to have accepted the provisions of this subtitle, and in particular those provisions which are contained in this section.

(2) (a) Tort liability with respect to accidents occurring in this Commonwealth and arising from the ownership, maintenance, or use of a motor vehicle is "abolished" for damages because of bodily injury, sickness or disease to the extent the basic reparation benefits provided in this subtitle are payable therefor, or that would be payable but for any deductible authorized by this subtitle, under any insurance policy or other method of security complying with the requirements of this subtitle, except to the extent noneconomic detriment qualifies under subsection (2)(b) hereof.

(b) In any action of tort brought against the owner, registrant, operator or occupant of a motor vehicle with respect to which security has been provided as required in this subtitle, or against any person or organization legally responsible for his acts or omissions, a plaintiff may recover damages in tort for pain, suffering, mental anguish and inconvenience because of bodily injury, sickness or disease arising out of the ownership, maintenance, operation or use of such motor vehicle only in the event that the benefits which are payable for such injury as "medical expense" or which would be payable but for any exclusion or deductible authorized by this subtitle exceed one thousand dollars ($1,000), or the injury or disease consists in whole or in part of permanent disfigurement, a fracture to a weight-bearing bone, a compound, comminuted, displaced or compressed fracture, loss of a body member, permanent injury within reasonable medical probability, permanent loss of bodily function or death. Any person who is entitled to receive free medical and surgical benefits shall be deemed in compliance with the requirements of this subsection upon a showing that the medical treatment received has an equivalent value of at least one thousand dollars ($1,000).

(c) Tort liability is not so limited for injury to a person who is not an owner, operator, maintainer or user of a motor vehicle within subsection (1) of this section, nor for injury to the passenger of a motorcycle arising out of the maintenance or use of such motorcycle.

(3) For purposes of this section and the provisions on reparation obligor's rights of reimbursement, subrogation, and indemnity, a person does not intentionally cause harm merely because his act or failure to act is intentional or done with his realization that it creates a grave risk of harm.

(4) Any person may refuse to consent to the limitations of his tort rights and liabilities as contained in this section. Such rejection must be in writing in a form to be prescribed by the department of insurance and must have been executed and filed with the department at a time prior to any motor vehicle accident for which such rejection is to apply. Such rejection form together with a reasonable explanation thereof shall be furnished by the reparation obligor with each policy to each prospective insurance applicant. Such rejection form shall affirmatively state in bold print that acceptance of this form of insurance denies the applicant the right to sue a negligent motorist unless certain requirements contained in the policy of insurance are met. Rejection by a person who is under legal disability shall be made on behalf of such person by his legal guardian, *conservator* or his natural parent. The failure of such guardian or a natural parent of a person under legal disability to file a rejection, within six (6) months from the date that this subtitle would otherwise become applicable to such person, shall be deemed to be an affirmative acceptance of all provisions of this subtitle. Provided, however, any person who, at the time of an accident, who does not have basic reparation insurance but has not formally rejected such limitations of his tort rights and liabilities and has at such time in effect security equivalent to that required by KRS 304.39-110 shall be deemed to have fully rejected such limitations within meaning of this section for that accident only.

(5) Any rejection must be filed with the department of insurance and shall be for a period of five (5) years from the date of its execution unless revoked in writing. A copy of such rejection or revocation must be filed with each insurance company providing an automobile policy under which the individual is a named insured as defined in the policy.

(6) Every insurance company when issuing an automobile policy to a resident of this Commonwealth must inform the buyer in writing in a form to be prescribed by the insurance commissioner of his right to reject the limitations of his tort rights and liabilities under this subtitle in the manner provided in subsections (4) and (7) of this section.

(7) Any rejection shall result in the full retention by the individual of his tort rights and his tort liabilities. Any person injured by a motor vehicle operator who has such rejection on file may claim his full damages, including nonpecuniary damages, or, if such injured person has not rejected his own tort limitations, he may also claim basic reparation benefits from the appropriate security on the vehicle as established under KRS 304.39-050. If such provider of security is other than the one providing security for the operator who has rejected the limitations, such provider shall be subrogated to the rights of the injured person to the extent of reparation benefits paid against the owner and operator of the vehicle.

(8) No person who has rejected the tort limitations under this section, except as provided in subsection (9) of this section or KRS 304.39-140(5), may collect basic reparation benefits.

(9) Any owner or operator of a motorcycle, as defined in Kentucky Revised Statutes, may file a rejection as described in subsections (4) and (5), which will apply solely to the ownership and operation of a motorcycle but will not apply to injury resulting from the ownership, operation or use of any other type of motor vehicle.

Section 92. KRS 322.050 is amended to read as follows:

No person shall be eligible for a license unless he is of good character and reputation, nor shall any person be eligible if he has been convicted of any felony involving moral turpitude or is adjudged by a court of competent jurisdiction mentally *disabled* [incompetent].

Section 93. KRS 327.070 is amended to read as follows:

The board, after due notice and hearing may refuse to license any applicant, and may refuse to renew the license of any licensed person, and may suspend or revoke the license of any licensed person:

(1) Who indulges in excessive use of alcoholic beverages or who is addicted to the use of narcotic drugs;

(2) Who has been convicted of violating any state or federal narcotic law;

(3) Who is, in the judgment of the board, guilty of immoral or unprofessional conduct;

(4) Who has been convicted of a felony or any crime involving moral turpitude;

(5) Who has obtained or attempted to obtain a license by fraud or material misrepresentation or who has made any other false statement to the board.

(6) Who is guilty, in the judgment of the board, of gross negligence in his practice of physical therapy;

(7) Who has been declared mentally *disabled* [incompetent] by a court of competent jurisdiction and has not thereafter been declared lawfully sane;

(8) Who has treated or undertaken to treat human ailments otherwise than by physical therapy as defined in this chapter, or who has undertaken to practice independent of the prescription, direction or supervision of a licensed medical doctor or dentist.

(9) Who has failed or refused to obey any lawful order or regulation of the board.

Section 94. KRS 353.270 is amended to read as follows:

A *guardian or conservator* [committee] of a person of unsound mind may enter into a consolidation agreement, as defined in KRS 353.280, subject to approval by the circuit judge as provided in KRS 353.290. The detailed provisions of such agreement may be such as the court approves, consistently with the provisions of KRS 353.280.

Section 95. KRS 353.290 is amended to read as follows:

(1) Upon the execution of such a consolidation agreement, the *guardian or conservator* [committee] shall file with the clerk of the circuit court in the county in which the land covered by the lease to be consolidated hereunder, or the greater portion thereof, lies, a petition for an order approving such consolidation agreement setting forth a copy of the consolidation agreement and a statement of facts constituting the grounds relied upon to secure the approval of such agreement, and shall submit with the petition the affidavits of not less than three (3) disinterested owners of real estate in the county wherein the proceedings hereunder are brought, as to whether such agreement will be advantageous or beneficial to the person or persons of unsound mind for whom such committee is acting, which affidavits shall be filed and preserved as records of the circuit court.

(2) No agreement permitted by KRS 353.270 to 353.290 shall be valid or effective until the judge of said court appoints a guardian ad litem to represent the *mentally disabled* person or persons [of unsound mind] whose interests are sought to be consolidated hereunder. The guardian ad litem shall file an answer and the affidavits of at least three (3) witnesses, proving the advantages or disadvantages of such agreement, and shall make such recommendation to the judge relating to the agreement as he believes to be most beneficial to the persons on whose behalf he is acting. He shall receive for his services a reasonable compensation, to be allowed by the judge and taxed as costs.

(3) The judge shall proceed in a summary manner to approve or disapprove the consolidation agreement, and if he approves it he shall indorse his approval thereon. The order of the judge approving such agreement shall be entered on the civil order book of the circuit clerk's office of the county in which the proceedings hereunder are brought.

Section 96. KRS 342.210 is amended to read as follows:

(1) The benefits in case of death shall be paid to such one or more dependents of the deceased employe for the benefit of all the dependents entitled thereto, as are determined by the board. The dependents to whom payments are made shall apply the same to the use of the persons entitled thereto under this chapter, according to their respective claims on the deceased for support. The compensation of *a mentally disabled* [an insane] person shall be paid to his *guardian or conservator* [committee].

(2) If the dependents are a widow, widower or other head of a family of minor children and one or more minor children, it shall be sufficient for the widow, widower or head of the family to make application

for compensation on behalf of all. Where the dependents are mentally incapacitated or are minors the head of whose family is not a dependent, the application may be made by the [committee,] guardian, *conservator* or next friend of such dependents.

Section 97. KRS 353.330 is amended to read as follows:

All of the persons in being who have any present or contingent interest in the lands or estate or interest sought to be leased shall be made parties to the proceedings authorized in KRS 353.300 to 353.380, with any infant or infants being represented either by next friend or statutory guardian or guardian ad litem, or in the case of constructive service of summons by a warning order attorney appointed as in other cases. Any person *adjudged mentally disabled* [of unsound mind] shall be represented by his *guardian or conservator* [committee] or by guardian ad litem, or, in the case of constructive service of summons as in civil actions generally, by a warning order attorney appointed as in other cases. If the court specifically finds that the welfare or interest of any person or persons not in being requires special representation, the court may appoint a trustee ad litem to represent such unknown parties not in being or each separate class thereof, and such trustee ad litem shall file such pleadings or answer and take such steps as he deems proper, and such unknown persons will be fully bound by the proceedings hereunder. Otherwise, and in the absence of such finding by the court, it shall not be necessary to make parties any persons not in being, either as "unknown defendants" or otherwise, but the persons in being who are parties shall stand for and represent the full title and whole interest in said lands or estate or interest therein, and all parties not in being who might have some contingent or future interest therein, and all persons, whether in being or not in being, having any interest, present, future or contingent, in the property sought to be leased, will be fully bound by the proceedings hereunder. It shall be permissible, however, to make defendants any unknown persons who might have any interest in the land sought to be leased, under the style of "unknown defendants."

Section 98. KRS 353.370 is amended to read as follows:

If a trustee's lease is granted hereunder, even though one (1) of the parties who has an interest or possible interest in the property covered by such lease is a minor or a person *adjudged mentally disabled* [of unsound mind], no separate guardian's lease or *conservator's* [committee's] lease shall be necessary.

Section 99. KRS 355.8-308 is amended to read as follows:

(1) An indorsement of a security in registered form is made when an appropriate person signs on it or on a separate document an assignment or transfer of the security or a power to assign or transfer it or when the signature of such person is written without more upon the back of the security.

(2) An indorsement may be in blank or special. An indorsement in blank includes an indorsement to bearer. A special indorsement specifies the person to whom the security is to be transferred, or who has power to transfer it. A holder may convert a blank indorsement into a special indorsement.

(3) "An appropriate person" in subsection (1) means

(a) the person specified by the security or by special indorsement to be entitled to the security; or

(b) where the person so specified is described as a fiduciary but is no longer serving in the described capacity, — either that person or his successor; or

(c) where the security or indorsement so specifies more than one person as fiduciaries and one or more are no longer serving in the described capacity, — the remaining fiduciary or fiduciaries, whether or not a successor has been appointed or qualified; or

(d) where the person so specified is an individual and is without capacity to act by virtue of death, *mentally disabled* [incompetence], infancy or otherwise, — his executor, administrator, guardian or like fiduciary; or

(e) where the security or indorsement so specifies more than one person as tenants by the entirety or with right of survivorship and by reason of death all cannot sign, — the survivor or survivors; or

(f) a person having power to sign under applicable law or controlling instrument; or

(g) to the extent that any of the foregoing persons may act through an agent, — his authorized agent.

(4) Unless otherwise agreed the indorser by his indorsement assumes no obligation that the security will be honored by the issuer.

(5) An indorsement purporting to be only of part of a security representing units intended by the issuer to be separately transferable is effective to the extent of the indorsement.

(6) Whether the person signing is appropriate is determined as of the date of signing and an indorsement by such a person does not become unauthorized for the purposes of this article by virtue of any subsequent change of circumstances.

(7) Failure of a fiduciary to comply with a controlling instrument or with the law of the state having jurisdiction of the fiduciary relationship, including any law requiring the fiduciary to obtain court approval of the transfer, does not render his indorsement unauthorized for the purposes of this article.

Section 100. KRS 362.305 is amended to read as follows:

(1) On application by or for a partner the court shall decree a dissolution whenever:

(a) A partner has been adjudged *mentally disabled* [incompetent] by a court of competent jurisdiction in any judicial proceeding or is shown to be of unsound mind,

(b) A partner becomes in any other way incapable of performing his part of the partnership contract,

(c) A partner has been guilty of such conduct as tends to affect prejudicially the carrying on of the business,

(d) A partner wilfully or persistently commits a breach of the partnership agreement, or otherwise so conducts himself in matters relating to the partnership business that it is not reasonably practicable to carry on the business in partnership with him,

(e) The business of the partnership can only be carried on at a loss,

(f) Other circumstances render a dissolution equitable.

(2) On the application of the purchaser of a partner's interest under KRS 362.280 or 362.285:

(a) After the termination of the specified term or particular undertaking,

(b) At any time if the partnership was a partnership at will when the interest was assigned or when the charging order was issued.

Section 101. KRS 355.3-307 is amended to read as follows:

(1) Unless specifically denied in the pleadings each signature on an instrument is admitted. When the effectiveness of a signature is put in issue

(a) the burden of establishing it is on the party claiming under the signature; but

(b) the signature is presumed to be genuine or authorized except where the action is to enforce the obligation of a purported signer who has died or *been adjudged mentally disabled* [become incompetent] before proof is required.

(2) When signatures are admitted or established, production of the instrument entitles a holder to recover on it unless the defendant establishes a defense.

(3) After it is shown that a defense exists a person claiming the rights of a holder in due course has the burden of establishing that he or some person under whom he claims is in all respects a holder in due course.

Section 102. KRS 355.3-508 is amended to read as follows:

(1) Notice of dishonor may be given to any person who may be liable on the instrument by or on behalf of the holder or any party who has himself received notice, or any other party who can be compelled to pay the instrument. In addition an agent or bank in whose hands the instrument is dishonored may give notice to his principal or customer or to another agent or bank from which the instrument was received.

(2) Any necessary notice must be given by a bank before its midnight deadline and by any other person before midnight of the third business day after dishonor or receipt of notice of dishonor.

(3) Notice may be given in any reasonable manner. It may be oral or written and in any terms which identify the instrument and state that it has been dishonored. A misdescription which does not mislead the party notified does not vitiate the notice. Sending the instrument bearing a stamp, ticket or writing stating that acceptance or payment has been refused or sending a notice of debit with respect to the instrument is sufficient.

(4) Written notice is given when sent although it is not received.

(5) Notice to one partner is notice to each although the firm has been dissolved.

(6) When any party is in insolvency proceedings instituted after the issue of the instrument notice may be given either to the party or to the representative of his estate.

(7) When any party is dead or *adjudged mentally disabled* [incompetent] notice may be sent to his last known address or given to his personal representative.

(8) Notice operates for the benefit of all parties who have rights on the instrument against the party notified.

Section 103. KRS 379.010 is amended to read as follows:

(1) Every voluntary assignment made by a debtor to any person in trust for his creditors shall be for the benefit of all his creditors, except as provided in subsections (2) and (3) of this section, in proportion to their respective claims after the payment of the expenses of the trust.

(2) Any property conveyed by the deed of assignment upon which there is a valid lien shall be first applied to the discharge of the lien debt, and if the property is not sufficient to satisfy the lien debt, the lien creditor may present the unsatisfied remainder as a claim against the estate and receive thereon his pro rata share of the assets in the same manner as general creditors.

(3) Debts due by the assignor as guardian, *conservator* [committee], trustee of an express trust created by deed or will or as personal representative shall be paid in full before the general creditors receive anything.

Section 104. KRS 381.135 is amended to read as follows:

(1) A person desiring a division of land held jointly with others, or an allotment of dower or curtesy, may file in the circuit court of the county in which the land or the greater part thereof lies a petition containing a description of the land, a statement of the names of those having an interest in it, and the amount of such interest, with a prayer for the division or allotment; and, thereupon, all persons interested in the property who have not united in the petition shall be summoned to answer not more than twenty (20) days after

service of the summons. The written evidences of the title to the land, or copies thereof, if there be any, must be filed with the petition.

(2) The statutory guardian of an infant, or *guardian or conservator* [committee] of *a* [an incompetent] person *adjudged mentally disabled* may file or unite in the petition, in the names of, and in conjunction with such infant, or *mentally disabled* [incompetent] person; and, if the petition be against an infant, or *mentally disabled* [incompetent] person the guardian, or *conservator* [committee] may appear and defend for them; if they fail to do so, the court shall appoint a discreet person for that purpose.

(3) Upon such a petition by all interested in the property, or upon the expiration of twenty (20) days after the service of a summons on all who have an interest in the property and have not united in the petition, the court may order the division, or allotment of dower or curtesy, according to the rights of the parties.

(4) The court shall appoint three competent persons to make the partition, or allotment of dower or curtesy, or both, having a due regard to the rights of all parties interested. Before proceeding to act, the commissioners shall take an oath to discharge their duty impartially.

(5) The order of appointment shall fix a time and place for the meeting of the commissioners who shall meet accordingly; but, if prevented from meeting at the time and place so fixed, they may meet as soon thereafter as convenient, and may adjourn to such other time and place as they may agree upon, until their duty shall be performed.

(6) They shall survey and allot to the parties their respective interests in the land, and make report thereof to the court, which may either confirm, set aside or remand the report to the commissioners for correction.

(7) If the report be confirmed, a commissioner to be appointed for the purpose shall, by deed, convey to each party the land allotted to him.

(8) If the report be confirmed by the circuit court, it and the deed shall be certified by the clerk of that court to the county clerk, for record.

(9) Two of the commissioners may act, if one refuse or fail to do so.

(10) A party summoned may, by answer, controvert the allegations of the petition or contest the rights claimed therein; and, thereupon, the case shall be tried and decided as an ordinary action, but without the intervention of a jury.

(11) The costs of the action shall be apportioned among the parties in the ratio of their interests, except that the costs arising from a contest of fact or law shall be adjudged against the unsuccessful party.

(12) No verification of the pleadings shall be required.

(13) The commissioners shall be paid a reasonable compensation, to be taxed as costs.

(14) This section does not affect the jurisdiction of courts of equity to make partition or allot dower or curtesy.

Section 105. KRS 384.060 is amended to read as follows:

The court shall have full discretionary authority to appoint any suitable person as such conservator and may require such conservator to post an adequate surety bond and to make such reports as the court may deem necessary. The conservator shall have the same powers and authority as the guardian of the property of an infant or the *guardian or conservator* [committee] of *a mentally disabled person* [an incompetent], and shall be considered as an officer or arm of the court.

Section 106. KRS 385.011 is amended to read as follows:

In KRS 385.011 to 385.101, unless the context otherwise requires:

(1) An "adult" is a person who has attained the age of eighteen (18) years.

(2) A "bank" includes every corporation authorized by law to do a banking business.

(3) A "broker" is a person lawfully engaged in the business of effecting transactions in securities for the account of others. The term includes a bank which effects such transactions. The term also includes a person lawfully engaged in buying and selling securities for his own account, through a broker or otherwise, as a part of a regular business.

(4) "Court" means the chancery division of the circuit court.

(5) The "custodial property" includes:

(a) All securities, life insurance policies, annuity contracts and money under the supervision of the same custodian for the same minor as a consequence of a gift or gifts made to the minor in a manner prescribed in KRS 385.011 to 385.101;

(b) The income from the custodial property; and

(c) The proceeds, immediate and remote, from the sale, exchange, conversion, investment, reinvestment, surrender or other disposition of such securities, money, life insurance policies, annuity contracts and income.

(6) A "custodian" is a person so designated in a manner prescribed in KRS 385.011 to 385.101; the term includes a successor custodian.

(7) A "financial institution" means a bank, trust company or savings and loan association authorized by law to do business in this state.

(8) A "guardian" of a minor means the general guardian, guardian, tutor or curator of his property or estate appointed or qualified by a court of this state or another state.

(9) An "issuer" is a person who places or authorizes the placing of his name on a security (other than as a transfer agent) to evidence that it represents a share, participation or other interest in his property or in an enterprise or to evidence his duty or undertaking to perform an obligation evidenced by the security, or who becomes responsible for or in place of any such person.

(10) A "legal representative" of a person is his executor or the administrator, general guardian, guardian, [committee,] conservator, tutor or curator of his property or estate.

(11) A "life insurance policy or annuity contract" means a life insurance policy or annuity contract, issued by an insurance company authorized to do business in this state on the life of a minor to whom a gift of the policy or contract is made in the manner prescribed in KRS 385.011 to 385.101 or on the life of a member of the minor's family.

(12) A "member" of a "minor's family" means any of the minor's parents, grandparents, brothers, sisters, uncles and aunts, whether of the whole blood or the half blood, or by or through legal adoption.

(13) A "minor" is a person who has not attained the age of eighteen (18) years.

(14) A "security" includes any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas or mining title or lease in payments out of production under such a title or lease, collateral trust certificate, transferable share, voting trust certificate or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, any temporary or interim certificate, receipt or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing. The term does not include a security of which the donor is the issuer. A security is in "registered form" when it specifies a person entitled to it or to the rights it evidences and its transfer may be registered upon books maintained for that purpose by or on behalf of the issuer.

(15) A "transfer agent" is a person who acts as authenticating trustee, transfer agent, registrar or other agent for an issuer in the registration of transfers of its securities or in the issue of new securities or in the cancellation of surrendered securities.

(16) A "trust company" is a bank, or corporation authorized to exercise trust powers.

Section 107. KRS 386.010 is amended to read as follows:

As used in KRS 386.010 to 386.180, unless the context requires otherwise:.

(1) "Fiduciary" means any trustee, guardian, executor, administrator, [committee] or other individual or corporation holding funds or otherwise acting in a fiduciary capacity.

(2) "Principal" means any person to whom a fiduciary, as such, owes an obligation.

Section 108. KRS 386.165 is amended to read as follows:

(1) Notwithstanding any other provision of law, any fiduciary holding securities in its fiduciary capacity, any bank or trust company holding securities as a custodian or managing agent, any bank or trust company holding securities as custodian for a fiduciary, is authorized to deposit or arrange for the deposit of such securities in a clearing corporation as defined in KRS 355.8-102. When such securities are so deposited, certificates representing securities of the same class of the same issuer may be merged and held in bulk in the name of the nominee of such clearing corporation with any other such securities deposited in such clearing corporation by any person regardless of the ownership of such securities, and certificates of small denomination may be merged into one of more certificates of larger denomination. The records of such fiduciary and the records of such bank or trust company acting as custodian, as managing agent or as custodian for a fiduciary shall at all times show the name of the party for whose account the securities are so deposited. Title to such securities may be transferred by bookkeeping entry on the books of such clearing corporation without physical delivery or certificates representing such securities. A bank or trust company depositing securities pursuant to this section shall be subject to such rules and regulations with respect to the making and maintenance of such deposit as, in the case of a bank or trust company organized under the laws of this state, the commissioner of banking and securities and, in the case of national banking associations, the comptroller of the currency may from time to time issue. A bank or trust company acting as custodian for a fiduciary shall, on demand of the fiduciary, certify in writing to the fiduciary the securities so deposited by such bank or trust company in such clearing corporation for the account of such fiduciary. A fiduciary shall, on demand by any party to its accounting or on demand by the attorney for such party, certify in writing to such party the securities deposited by such fiduciary in such clearing corporation for its account as such fiduciary.

(2) This section shall apply to any fiduciary holding securities in a fiduciary capacity, and to any bank or trust company holding securities as a custodian, managing agent or custodian for a fiduciary, acting on June 21, 1974, or who thereafter may act regardless of the date of the agreement, instrument or court order by which it is appointed and regardless of whether or not such fiduciary, custodian, managing agent or custodian for a fiduciary owns capital stock of such clearing corporation.

(3) As used in this section, "fiduciary" includes an executor, administrator, trustee under any trust, express, implied, resulting or constructive, guardian, conservator, [committee,] receiver, trustee in bankruptcy, assignee for the benefit of creditors, partner, agent, officer or a corporation, public or private, public officer or any other person acting in a fiduciary capacity for any person, trust or estate.

Section 109. KRS 387.025 is amended to read as follows:

Any interested person may petition the court for the appointment of a guardian [or committee] but before an appointment is made, the petitioner shall make and file in duplicate a written application under oath, which must state the name, age and residence of the ward, the ward's husband or wife and each of the ward's parents, or if there be no spouse or parents, the names, ages and residence of the next of kin, the name of the person having custody of the ward, a brief description of the ward's estate and its probable value, and the estimated annual income therefrom. A duplicate copy of said application shall be mailed by the clerk to the commissioner of revenue of the state of Kentucky. The court shall thereupon appoint a time for hearing such application. Notice thereof shall be given to the minor if more than fourteen years of age; to the person having custody of the ward; to the husband or wife and each parent of the ward, or if none, to the next of kin residing in the state in the manner provided in KRS 395.016.

Section 110. KRS 389.010 is amended to read as follows:

(1) The real property or any right, title or interest in real property of a person under the age of eighteen years, or of a person of unsound mind, whether such person be a resident or a nonresident of this state, may be sold under or by decree of a court of equity of the county in which the property or any part thereof is situated for any purpose deemed by the court to be necessary or proper or beneficial to such person under disability.

(2) The decree may be rendered on a petition, counterclaim or cross-petition filed by the statutory guardian of an infant, or by the *guardian or conservator* [committee] of a *mentally disabled person* [person of unsound mind], or by a next friend, or by any party against a guardian or *conservator* [committee], if he has one residing in this state, in any kind of similar proceeding that may be maintained against a person who is not under disability.

(3) Except in actions brought under subsection (13) of this section, if the guardian or *conservator* [committee] of a person under disability be a party to the action, then it shall not be necessary for the person under disability to be made a party personally.

(4) If the guardian or *conservator* [committee] of a person under disability be not a party to the action, then it shall be necessary for the person under disability to be a party personally and brought before the court in the manner authorized by the Rules of Civil Procedure.

(5) Nothing contained in subsections (2), (3) and (4) of this section shall limit the purposes of sale named in subsection (1) of this section.

(6) If the suit be filed against a guardian or *conservator* [committee] and he shall fail to appear and defend or show that no good defense can be made, the court shall appoint a guardian ad litem to do so.

(7) The pleading seeking a sale shall file the title papers, or copies thereof, under which the property is held; shall particularly describe the property and the interest therein of the person under disability; set forth fully the reasons or purposes for which it is sought to have the same sold; and the nature and extent of all liens upon the interest of the person, if any, so far as the same may be known to the petitioner.

(8) The case may be referred by order of court to the master commissioner for hearing of evidence and report on the facts and his recommendation with respect to the relief sought in the pleadings.

(9) The allegations of the pleading shall not be taken as confessed but shall be proved by competent evidence heard on deposition or orally by the judge or commissioner. A transcript thereof shall be filed as part of the record.

(10) The proceeds of any sale may be paid to the guardian or *conservator* [committee] provided that he shall have executed in the circuit court a bond with surety to the Commonwealth for the use and benefit of the person under disability that he will faithfully discharge his trust and will account for, pay and deliver to said person all money and other property due or belonging to him when he shall reach his majority, or if he be a person of unsound mind when he shall be legally restored, or to his heirs or personal representative, or in compliance with an order of any court of competent jurisdiction. The court shall endorse its approval on said bond, which shall be recorded on the order book; provided, that if the circuit court, upon examination of a certified copy of the bond executed in the district court of his appointment by the guardian or *conservator* [committee], which copy shall be filed in the circuit court, should determine, in its discretion, that said bond is adequate and sufficient, the above bond to be executed in the circuit court shall not be required. The circuit court shall enter an order in the order book that it has personally examined the certified copy of the bond executed in the district court, and found it adequate and sufficient and that no additional bond shall be required in that circuit court. The copy of the bond shall be certified as a true and correct copy of the bond by the clerk of the court in which it was executed.

(11) Subject to the above conditions, judgment may be rendered and executed in the same manner and on the same terms as judgments in similar cases where no person under disability is a party.

(12) Provided, that (a) the court may in its discretion in an ex parte or adversary proceeding authorize the guardian or *conservator* [committee] of such person or the commissioner of the court to make said sale at public auction upon such terms and conditions as the court may order, and to convey title thereto;

or (b) if the land or interest to be sold be of an appraised value of less than twenty-five hundred dollars, the court may in the judgment authorize such fiduciary to make the sale privately and convey title; subject, however, to the approval of the court before consummation.

(13) Without previous judicial proceeding or judgment the guardian of an infant or the *guardian or conservator* [committee] of a *mentally disabled* person [of unsound mind] may sell privately or at public auction and convey any interest in real estate owned by a ward for such reasons and purposes and upon such terms and conditions as he shall deem best for the interest of said ward. Provided, however, that no such sale shall be consummated until same shall have been approved by the judge of the circuit court in the county where the land or a portion thereof is situated in a suit in equity filed by the guardian or *conservator* [committee] against said infant or *mentally disabled* person of [unsound mind]. The petition shall set forth the reason and purposes of the sale and the terms thereof.

(14) If the person under disability be brought before the court by service of summons, a guardian ad litem shall be appointed for such person. Proof shall be taken only on notice to said guardian ad litem or, if the person under disability be constructively summoned, on notice to his warning order attorney. Proof may be taken by depositions or orally before the judge and thereafter transcribed and filed in the record of the case. The guardian ad litem or warning order attorney shall make a defense or file a report stating that after careful examination of the case he is unable to make a defense.

(15) If the court shall deem the sale advisable and the terms and price satisfactory, it shall enter an order approving the same; provided, however, that the judgment shall not be entered until the guardian or *conservator* [committee] shall have executed a bond with approved surety in an amount not less than the sum due, or to become due, his ward from said sale providing that he will faithfully discharge all his duties as such guardian or *conservator* [committee] and will comply with the judgment and orders of the court, and account for, pay and deliver the proceeds of the sale or property in which it shall be invested to his ward or other person entitled thereto. The bond shall be approved by the court and recorded in the order book; provided, if the share of the infant in the proceeds does not exceed one hundred dollars, exclusive of interest, no bond shall be required of the guardian; provided further, that if the circuit court, upon examination of a certified copy of the bond executed in the county of his appointment by the guardian or *conservator* [committee], which copy shall be filed in the circuit court, should determine in its discretion that said bond is adequate or sufficient the above bond to be executed in the circuit court shall not be required. The circuit court shall enter an order in the order book that it has personally examined the certified copy of the bond executed in the district court and found it adequate and sufficient and that no additional bond shall be required in that circuit court. The copy of the bond shall be certified as a true and correct copy of the bond by the clerk of the court in which it was executed. This proceeding shall be tried and judgment rendered in accordance with the Rules of Civil Procedure.

(16) The court shall at all times enter such orders as will conserve and protect the rights of the person under disability.

(17) No defect or error in the proceeding shall render the judgment or sale void unless the same is of the nature and character that would render the proceeding void if all parties were sui juris.

Section 111. KRS 389.015 is amended to read as follows:

Any bond provided for in KRS 389.010 shall remain in full force and effect until the guardian or *conservator* [committee] has filed in the district court of the county of his appointment and qualification a settlement of his account showing payment to, or for the benefit of, his ward, of the funds secured by such bond, and until the settlement has been approved and confirmed by the district court. Upon production to the circuit court in which the bond was executed, of a certified copy of the settlement and of the order of the district court approving and confirming the same, the circuit court shall enter an order releasing the guardian or *conservator* [committee], and his sureties, from further liability under the bond.

Section 112. KRS 389.030 is amended to read as follows:

(1) In an equitable action by the owner of a particular estate of freehold in possession, or by a guardian or *conservator* [committee] as provided in KRS 389.010, against the owner of the reversion or remainder, though he be an infant or *mentally disabled* [of unsound mind], and against the owner of the particular estate if he be an infant or *mentally disabled* [of unsound mind]; or, if the remainder be contingent, against the person, if in being, in whom it would have vested if the contingency had happened before commencement of the action, though he be an infant or *mentally disabled* [of unsound mind], and against the owner of the particular estate if he be an infant or *mentally disabled* [of unsound mind] — real property may be sold for investment of the proceeds in other real property.

(2) The court ordering the sale shall, by its commissioner, retain the custody and control of the fund realized by the sale until the same is reinvested in real estate, or in such other property as the funds of persons under disability may be invested in authority of law, and the court shall order the money to be paid, by its commissioner, directly to the person from whom the purchase for reinvestment is made; or the court may authorize payment of the proceeds of sale of land of an infant or person of unsound mind to his guardian or *conservator* [committee] as provided in subsection (10) of KRS 389.010.

(3) The court may in its discretion authorize the consummation of a private sale, provided the complaint shall set forth the price and the terms thereof; and provided the chancellor finds the terms and price satisfactory. The proceeds shall remain in the custody of the court, as set forth in subsection (2) above until reinvested as provided in subsection (2) above. The deed shall be executed and delivered by the commissioner and if the property is sold on terms, then the note shall be made payable to the commissioner and the vendor's lien securing same shall be retained in the name of the commissioner, who may make releases in whole or in part as directed by the court.

Section 113. KRS 389.045 is amended to read as follows:

(1) The court shall appoint a suitable person, as commissioner, to execute its judgment.

(2) The court shall cause the title of the property to be conveyed by a commissioner to the purchaser, without warranty.

(3) The conveyance must be acknowledged before and approved by the court, and be certified by its clerk to the county clerk for record.

(4) In the actions for investment authorized by KRS 389.010 the court shall order the proceeds of sales to be invested, subject to its approval, in real estate in or out of this state, or in bonds of the United States or of this state, or in the stock of a bank of this state, subject to the same uses, trusts and limitations as the estate sold was subject to.

(5) If the owner of real estate which may have been sold under the provisions of this chapter die during infancy; or being *mentally disabled* [incompetent], die intestate; and upon privy examination as is authorized by this chapter, or without disposing in the manner authorized by law of the property in which the proceeds may have been invested, the person who would have been entitled to the property, if it had not been sold, shall be entitled to the proceeds, or to the property in which they have been invested.

(6) All persons interested in the property must be made parties; and, if objection to the sale be made by a defendant having a joint interest, his share shall not be sold, but the property may be divided, and a sale of the shares of those desiring it may be ordered, if such division and sale can be made without materially impairing the value of the property or of the plaintiff's interest therein.

(7) If a deed or will give to a trustee a discretionary power to sell the property, the court shall not have power to order a sale of it without the consent of the trustee.

Section 114. KRS 389.060 is amended to read as follows:

(1) Where the real property or any interest therein of an infant or *a mentally disabled* person [of unsound mind] shall be sold under the provisions of KRS 389.010, a lien shall remain on the land to secure the payment of his share of the proceeds until same shall be paid.

(2) The court may permit the guardian or the *conservator* [committee] to receive the interest accruing on the unpaid purchase money without executing the bond provided in subsection (10) (c) of KRS 389.010.

(3) The infant upon becoming of age, or the *mentally disabled* person [of unsound mind] upon his restoration *of civil rights* [to sound mind], or the guardian or *conservator* [committee] upon executing bond as provided in subsection (10) (c) of KRS 389.010, may collect and receive the proceeds as same shall become due.

(4) The purchaser upon maturity of any bond or portion of the purchase price may pay the amount due into court. If the guardian or the *conservator* [committee] does not execute bond as provided in subsection (10) (c) of KRS 389.010 so that same may be paid over to him, the court shall direct the investment of such proceeds by the master commissioner or receiver of the court, under supervision of the court, until the guardian or the *conservator* [committee] shall qualify to receive the same, or the infant or *mentally disabled* person [of unsound mind] shall become competent to receive the same personally.

Section 115. KRS 392.130 is amended to read as follows:

The spouse of an infant spouse, or of a spouse judicially declared *mentally disabled* [incompetent], if the spouse not under disability is of the age of eighteen years, or if not, with the approval of the circuit court, on such terms as it may deem equitable, may unite with his guardian or *conservator* [committee], or with the commissioner of the court, in the conveyance of the real estate of the spouse under disability, so as to release the inchoate right of dower or curtesy of the spouse not under disability, when a sale and conveyance of the real estate are ordered to be made by the guardian or *conservator* [committee], or by the commissioner or other officer of the court. An infant spouse may also be permitted by the circuit court to unite with his adult spouse in the conveyance of the adult spouse's real estate without terms, or on such terms as may be deemed equitable, so as to release the inchoate right of dower or curtesy of the infant spouse. If, in judicial proceedings to sell the real estate of an infant spouse, or of a spouse judicially declared *mentally disabled* [incompetent], his spouse is made a party defendant, and by answer, and on privy examination in open court or by a judge of a court in which such proceedings are pending, or by a commissioner appointed by the court to take the case, the spouse not under disability consents to a sale of the property, free from the inchoate right of dower or curtesy of the spouse not under disability, either without terms or on terms designated by the spouse not under disability, the court may, if it deems the terms of such consent equitable, order the sale of such property, free from the inchoate right of dower or curtesy, upon the terms of consent proposed by that spouse.

Section 116. KRS 392.140 is amended to read as follows:

Whenever a married person has become a confirmed *mentally disabled* [incompetent] person, the circuit court of the county in which is situated land belonging to the spouse of such *disabled* [incompetent] person may, upon the petition of the spouse of the *mentally disabled* [incompetent] person, adjudge the sale and conveyance, or the mortgage, of the inchoate right of dower or curtesy of the person under disability. The *mentally disabled* [incompetent] person and his *guardian or conservator* [committee], if he has one, shall be made defendants to the action; if he has no *guardian or conservator* [committee], the court shall appoint an attorney to defend for him, to whom the court shall make a reasonable allowance to be paid by the spouse of the *mentally disabled* [incompetent] person. A description of the land shall be given in the petition and the evidence of title of the spouse of the *mentally disabled* [incompetent] person filed therewith. If the court is satisfied by the proof that the *mentally disabled* [incompetent] spouse is a confirmed *mentally disabled* [incompetent] person, it may adjudge the sale and conveyance, or mortgage, of her inchoate right of dower or his inchoate right to curtesy in said land, and if the *mentally disabled* [incompetent] spouse has a *guardian or conservator* [committee], the court may direct that he unite with the spouse of the *mentally disabled* [incompetent] person in the deed or mortgage; if the *mentally disabled* [incompetent] spouse has no *guardian or conservator* [committee], the court shall appoint a commissioner who shall unite with the spouse of the *mentally disabled* [incompetent] person in the deed or mortgage. Before any judgment pursuant to this section shall be rendered, the spouse of the *mentally disabled* [incompetent] person, with at least two good sureties, shall execute before the court a covenant to the commonwealth for the benefit of the *mentally disabled* [incompetent] spouse, to be approved by the court, that the *mentally disabled* [incompetent] spouse will be paid the value of his right of dower or curtesy in the land should such right thereafter become complete.

Section 117. KRS 394.190 is amended to read as follows:

Any person interested in such probate may be summoned, or proceeded against by warning order, and if an infant or *mentally disabled* person [of unsound mind], a guardian ad litem shall be appointed.

Section 118. KRS 395.016 is amended to read as follows:

When notice of hearing of an application for the appointment of an administrator, administrator with will annexed, guardian, or *conservator* [committee] is required hereunder, it shall be given by mailing written notice of the time, place and purpose of such hearing at least five days before said hearing. Proof of such notice shall be by certified mail, return receipt requested or by registered mail receipt or by applicant's affidavit that the same was mailed to each of the parties entitled thereto in a sealed envelope, postage prepaid, and the date when posted, which proof shall be filed at the time of hearing. If all parties entitled to notice are under no disability and waive notice in writing, the court may hear such application as if notice had been given. A minor over fourteen years of age may waive notice if present in person at the time of hearing of application for appointment of his guardian; provided, however in any estate where the gross amount involved is less than one thousand dollars the court in its discretion may dispense with the requirements of this section relating to notice.

Section 119. KRS 395.130 is amended to read as follows:

(1) Every fiduciary, except as provided in KRS 287.220, shall provide surety on his bond unless, on the petition of any interested party, the court upon being satisfied that all interests are adequately protected excuses the requirement of a surety, or unless, by the terms of the will or trust, surety is not required. Subsequent to the qualification of a fiduciary and on motion of any interested party the court may reduce the amount of the bond, release the surety, or permit the substitution of another bond with the same or different sureties. If an executor does not give bond when required to do so, he shall not be permitted to qualify, and, if he has already qualified, he shall be removed.

(2) Whenever any personal representative, guardian, [committee] or other trustee or fiduciary who is required by law to execute a bond for the faithful discharge of his duties or fulfillment of his trust, procures as surety on his bond an incorporated surety company authorized to do business in this state, the necessary and reasonable cost incident to the bond shall be a lawful charge against the estate in the hands of the fiduciary, as other expenses of administration, and in his settlement the fiduciary shall be entitled to credit by the amount actually paid by him for that purpose, subject to the approval of the court which has approved the bond.

Section 120. KRS 395.155 is amended to read as follows:

For the purpose of computing commissions whenever any portion of the dividends, interests, rents or other amounts payable to an executor, administrator, trustee, guardian, [committee], curator or other personal representative or fiduciary is required by any law of the United States or other governmental unit to be withheld for income tax purposes by the person, corporation, organization or governmental unit paying the same, the amount so withheld shall be deemed to have been collected.

Section 121. KRS 395.325 is amended to read as follows:

(1) If any fiduciary resigns or is removed, he shall upon the appointment of his successor settle his accounts.

(2) If any fiduciary becomes *mentally disabled* [incompetent] or dies, the personal representative of his estate shall upon the appointment of a successor fiduciary for the *mentally disabled fiduciary* [incompetent] or decedent settle for his decedent the accounts of the first decedent.

(3) In appointing a successor trustee of a trust created by will, the court shall give preference to that person, or those persons, designated in the will as successor trustee. If there be no such designation or if the court finds the person or persons so designated are not best qualified to protect the interests of the beneficiaries, then the court shall give preference to the persons who apply for appointment, preferring the surviving husband or wife, and then such others as are next entitled to distribution or one or more of them whom the court deems best qualified.

Section 122. KRS 395.480 is amended to read as follows:

If any person beneficially interested in an estate is not sui juris, consent for that person to the written agreement provided by subsection (1) of KRS 395.470 may be given by his guardian, curator or *conservator* [committee]. In the case of a prisoner otherwise sui juris, consent may be given by him personally instead of by his curator if it is acknowledged before the superintendent or keeper of the prison and the superintendent or keeper certifies that, in his opinion, the prisoner gave his consent freely. If any person not sui juris is beneficially interested, a trustee appointed under subsection (2) of KRS 395.470 to collect claims and demands shall not act until he has given bond to account for the share of that person and the bond has been approved by the district court.

Section 123. KRS 402.020 is amended to read as follows:

Marriage is prohibited and void:

(1) With a person who has been adjudged *mentally disabled* [incompetent] by a court of competent jurisdiction;

(2) Where there is a husband or wife living, from whom the person marrying has not been divorced;

(3) When not solemnized or contracted in the presence of an authorized person or society;

(4) When at the time of marriage, the person is under eighteen (18) years of age, if the marriage is without the consent of the father, mother, guardian, or other person lawfully having charge of his or her person, provided, however, that in case of pregnancy the male and female, or either of them, under the ages herein specified may apply to a district court judge for permission to marry, which application may be granted, in the discretion of the judge. There shall be a fee of five dollars ($5.00) for hearing each such application.

Section 124. KRS 402.990 is amended to read as follows:

(1) Any party to a marriage prohibited by KRS 402.010 shall be fined not less than five hundred dollars ($500) nor more than five thousand dollars ($5,000). If the parties continue after conviction to cohabit as man and wife, either or both of them shall be imprisoned in the penitentiary for not less than three (3) nor more than twelve (12) months.

(2) Any person who aids or abets the marriage of any person who has been adjudged *mentally disabled* [incompetent], or attempts to marry, or aids or abets any attempted marriage with any such person shall be fined not less than fifty dollars ($50) nor more than five hundred dollars ($500).

(3) Any authorized person, with or without a license, who knowingly solemnizes a marriage prohibited by this chapter shall be fined not more than one thousand dollars ($1,000) or imprisoned not less than one (1) month nor more than twelve (12) months, or both.

(4) Any minister or priest who breaches the covenant required by KRS 402.060 shall be fined not more than two thousand dollars ($2,000).

(5) Any person who attempts to solemnize a marriage without a marriage license or without being authorized by the county judge/executive to solemnize marriages shall be fined not more than one thousand dollars ($1,000) or imprisoned for not less than one (1) month nor more than twelve (12) months, or both.

(6) Any unauthorized person who solemnizes a marriage under pretense of having authority, and any person who falsely personates the father, mother or guardian of an applicant in obtaining a license shall be imprisoned in the penitentiary for not more than three (3) years.

(7) Any person who falsely and fraudulently represents or personates another, and in such assumed character marries that person, shall be imprisoned in the penitentiary for not less than one (1) nor more than five (5) years. Indictment under this subsection shall be found only upon complaint of the injured party and within two (2) years after the commission of the offense.

(8) Any clerk who knowingly issues a marriage license to any persons prohibited by this chapter from marrying shall be fined not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000), and removed from office by the judgment of the court in which he is convicted.

(9) Any clerk who knowingly issues a marriage license in violation of his duty under this chapter shall be fined not more than one thousand dollars ($1,000).

(10) If any deputy clerk or any person other than a county clerk knowingly issues a marriage license in violation of this chapter, but not for a prohibited marriage, he shall be fined not more than one thousand

dollars ($1,000), and if he knowingly issues a license for a marriage prohibited by this chapter he shall be fined not more than one thousand dollars ($1,000) or imprisoned not more than one (1) year, or both.

(11) Any person who violates any of the provisions of KRS 402.090 shall be fined not less than ten dollars ($10) nor more than one hundred dollars ($100) for each offense.

(12) Any county clerk who violates any of the provisions of KRS 402.110 or 402.230 shall be fined not less than twenty dollars ($20) nor more than fifty dollars ($50).

(13) Any person who violates any of the provisions of KRS 402.120 to 402.200 by disclosing any matter of confidential nature shall be fined one thousand dollars ($1,000), which shall be paid to the applicant for a marriage license in lieu of damages. Upon failure to pay the fine, the defendant shall be imprisoned as for failure to pay any other fine.

(14) Any physician, laboratory representative, county clerk or applicant for a marriage license who violates any of the provisions of KRS 402.120 to 402.200, or makes any false representation of fact or identity, shall be fined not less than ten dollars ($10) nor more than one hundred dollars ($100), and imprisoned in the county jail for a term fixed by the jury.

(15) Any person failing to make the return required of him by KRS 402.220 shall be fined fifty dollars ($50).

Section 125. KRS 388.190 is amended to read as follows:

As used in this chapter:

(1) The term "person" includes a partnership, corporation or an association.

(2) The term "Veterans Administration" means the Veterans Administration, its predecessors or successors.

(3) The terms "estate" and "income" shall include only moneys received by the guardian or *conservator* [committee] from the Veterans Administration, all earnings, interest and profits derived therefrom and all property acquired therewith.

(4) The term "benefits" shall mean all moneys paid or payable by the United States through the Veterans Administration.

(5) The term "Administrator" means the Administrator of Veterans Affairs or his successor.

(6) The term "ward" means a beneficiary of the Veterans Administration.

(7) The term "guardian" as used herein shall mean any person acting as a fiduciary for *a* [an incompetent] person *adjudged mentally disabled.*

(8) The term "court" means the district court of the county of the beneficiary's residence.

Section 126. KRS 388.200 is amended to read as follows:

The administrator of veterans affairs, or his successor, is and shall be a party in interest in any proceeding brought under any law of this state for the appointment of a guardian or [committee] for any minor or *person adjudged* mentally *disabled* [incompetent] beneficiary or the veterans administration on whose account benefits have been paid or are payable by said veterans administration, and the said administrator or his successor is and shall be an interested party in any court proceeding pertaining to or effecting in any manner the administration of the estate of any such beneficiary on whose account such benefits are payable or whose estate includes assets derived from benefits paid by the veterans administration, its predecessor or successor. Written notice shall be given by certified mail, return receipt requested or by registered mail, unless waived in writing, to the office of the veterans administration having jurisdiction over the area in which the court is located, of the time and place for hearing on any petition or pleading or in connection with any proceeding pertaining to or affecting in any manner the administration of the estate of any such beneficiary of the veterans administration. Said notice shall be deposited in the mails not less than fifteen days prior to the date of such hearing or other proceedings.

Section 127. KRS 388.210 is amended to read as follows:

Whenever, pursuant to any law of the United States or regulation of the Veterans Administration, it is necessary, prior to payment of benefits, that a guardian [or committee] be appointed for a minor or *a* mentally *disabled* [incompetent] beneficiary of the Veterans Administration such appointment shall be made in the manner hereinafter provided.

Section 128. KRS 388.220 is amended to read as follows:

(1) Except as hereinafter provided, it shall be unlawful for any person to accept appointment as guardian [or committee] of any minor or mentally *disabled* [incompetent] beneficiary of the Veterans Administration if such proposed guardian [or committee] shall at that time be acting as guardian [or committee] for five wards. In any case, upon presentation of a petition by an attorney of the Veterans Administration under this section alleging that a guardian [or committee] is acting in a fiduciary capacity for more than five wards and requesting his discharge for that reason, the court, upon proof substantiating the petition, shall require a final accounting forthwith from such guardian [or committee] and shall discharge such guardian [or committee] in said case.

(2) The limitations of this section shall not apply where the guardian [or committee] is a bank or trust company. An individual may be guardian [or committee] of more than five wards if they are all members of the same family.

Section 129. KRS 388.230 is amended to read as follows:

(1) A petition for the appointment of a guardian [or committee] for any minor or mentally *disabled* [incompetent] beneficiary of the Veterans Administration may be filed in the court having jurisdiction by or on behalf of any person who under existing law is entitled to priority of appointment. If there be no person so entitled or if the person so entitled shall neglect or refuse to file such a petition within thirty days after mailing of notice by the Veterans Administration to the last known address of such person indicating the necessity for the same, a petition for such appointment may be filed by or on behalf of any responsible person residing in this state.

(2) The petition for appointment shall set forth the name, age, place of residence of such beneficiary, the name and place of residence of the nearest relative, if known, and the fact that such beneficiary is entitled to receive benefits payable by or through the Veterans Administration and shall set forth the amount of moneys then due and the amount of probable future payments.

(3) The petition shall also set forth the name and address of the person or institution, if any, having actual custody of such beneficiary, and the name, age, relationship, if any, occupation and address of the person proposed for appointment as guardian [or committee]. Notwithstanding any provision of existing law as to priority, the court may appoint a capable individual, bank or trust company, as guardian [or committee], if the person entitled to priority fails to apply, or if after hearing the court determines it is for the best interest of such beneficiary to appoint another.

(4) In the case of a mentally *disabled* [incompetent] beneficiary, the petition shall show that such beneficiary has been rated *mentally disabled* [incompetent] by the Veterans Administration on examination in accordance with the laws and regulations governing the Veterans Administration.

Section 130. KRS 388.250 is amended to read as follows:

Notwithstanding the provisions of existing law for adjudication of *mental disability* [incompetency] and appointment of a *guardian or conservator* [committee] upon the inquest of a jury, where a petition is filed for the appointment of a *guardian or conservator* [committee] for a mentally *disabled* [incompetent] beneficiary of the Veterans Administration under the provisions of this Act, who is found within this state, whether or not a resident thereof, a certificate of the Administrator of Veterans Affairs or his duly authorized representative, accompanying such petition setting forth the fact that such beneficiary has been rated *mentally disabled* [incompetent] by the Veterans Administration on examination in accordance with the laws and regulations governing such Veterans Administration, and that the appointment of a *guardian or conservator* [committee] is a condition precedent to the payment of any moneys due each beneficiary by the Veterans Administration, shall be prima facie evidence of the necessity for such appointment. Provided, however, that some member of the bar shall be appointed by the court to represent and protect the interests and rights of such *mentally disabled* [incompetent] beneficiary as provided under existing law, and further that the right of any such *mentally disabled* [incompetent] beneficiary or any person interested in such beneficiary to demand a trial by jury shall not be denied.

Section 131. KRS 338.270 is amended to read as follows:

(1) Before making an appointment under the provisions of this Act, the court shall be satisfied that the person whose appointment is sought is a fit and proper person to be appointed. Upon the appointment being made, the guardian or *conservator* [committee] shall execute and file a bond to be approved by the court in an amount not less than the estimated value of the personal estate and anticipated income during the ensuing year. The said bond shall be in the form and be conditioned as required of guardians and committees appointed under the general guardianship laws of this state. The court shall have power from time to time to require the guardian or *conservator* [committee] to file an additional bond.

(2) Where a bond is tendered by a guardian or *conservator* [committee] with personal sureties, there shall be at least two such sureties and they shall file with the court a certificate under oath which shall describe the property owned, both real and personal, and shall state that they are each worth the sum named in the bond as the penalty thereof over and above all their debts and liabilities and exclusive of property exempt from execution. Notwithstanding such tender, the court may require additional security or may require a corporate surety bond, the premium thereon to be paid from the ward's estate.

Section 132. KRS 388.280 is amended to read as follows:

(1) Every guardian or *conservator* [committee] who shall receive on account of his ward any moneys from the Veterans Administration, shall file with the court annually, on the anniversary date of the appointment, in addition to such other accounts as may be required by the court, a full, true and accurate account under oath of all moneys so received by him, of all disbursements thereof, and showing the balance thereof in his hands at the date of such account and how invested. The guardian or *conservator* [committee], at the time of filing his account shall exhibit all securities or investments described therein to an officer of the bank or other depository wherein said securities are held for safekeeping, or to an authorized representative of the corporation which is surety on his bond, or to the clerk or deputy clerk of a court of record in this state or to any other reputable person designated by the court upon request of the guardian or *conservator* [committee] or other interested party, who shall certify in writing that he has examined such securities or investments

and identified them with those described in the account; provided, that if such depository is the guardian or *conservator* [committee], such certifying officer shall be an officer other than the officer verifying the account, or the guardian or *conservator* [committee] may exhibit such securities or investments to the Judge of the Court who shall endorse on the account and copy thereof a statement that the securities or investments shown therein as on hand were in fact exhibited to him and that those exhibited to him were the same as those shown in the account. Such certificate, and the certificate of an official of the bank in which is deposited any cash balance showing the amount on deposit shall be filed by the guardian or *conservator* [committee] with his account. A certified copy of each such accounts and a signed duplicate of such certificates filed with the court shall be sent by the guardian or *conservator* [committee] to the office of the Veterans Administration having jurisdiction over the area in which such court is located. A duplicate signed copy, or certified copy of any petition, motion or other pleading which is filed in the guardianship proceedings, or in any proceedings for the purpose of removing the disability or minority or of mental incompetency, shall be furnished by the person filing the same, to the office of the Veterans Administration concerned. The court, unless hearing be waived in writing by the Chief Attorney of the Veterans Administration, shall fix a time and place for the hearing on such account, petition, or other pleading, not less than fifteen days nor more than thirty days from the date of filing same unless a different available date be stipulated in writing and written notice of the time and place of such hearing shall be given by the court to the aforesaid Veterans Administration office not less than fifteen days prior to the date fixed for the hearing. Notice of such hearing shall in like manner be given to the guardian or *conservator* [committee] and to any others entitled to notice.

(2) The clerk shall mail said Veterans Administration office a copy of each order entered in any guardianship proceeding wherein the Veterans Administration is an interested party.

Section 133. KRS 388.290 is amended to read as follows:

If any guardian or *conservator* [committee] shall fail to file with the court or the Veterans Administration, as required by this Act, any account of the benefits received by him from the Veterans Administration on account of his ward within thirty days after such account is due, or shall fail to furnish the Veterans Administration a true copy of any account or of any petition or pleading as required by this chapter, such failure shall be grounds for removal.

Section 134. KRS 388.300 is amended to read as follows:

Compensation payable to guardians or committees shall not exceed five percent of the income of the ward during any year, but in no event shall the amount of such compensation be less than fifty dollars for each year. In the event of extraordinary services rendered by any guardian or *conservator* [committee], the court may, upon petition and after notice to the Veterans Administration and hearing thereon, authorize reasonable additional compensation therefor payable from the estate of the ward. Notice of such petition and hearing shall be given to the proper office of the Veterans Administration in the manner provided in KRS 388.280. No commission or compensation shall be allowed on the estate received from a preceding guardian.

Section 135. KRS 388.310 is amended to read as follows:

All funds in possession of such guardian or *conservator* [committee] shall be invested in such securities or other property in which the guardian or *conservator* [committee] has no interest, as allowed by law which investment shall be first approved by the court; except that investments in direct interest-bearing obligations of the United States Government or of this state shall be permissible without an order of the court.

Section 136. KRS 388.320 is amended to read as follows:

A guardian or *conservator* [committee] shall not apply any portion of the estate of his ward for the support and maintenance of any person other than said ward, his minor children and his spouse (if the spouse and the ward be living together) except upon petition to and prior order of the court after a hearing, notice of which has been given the proper office of the Veterans Administration in the manner and within the time provided in KRS 388.280.

Section 137. KRS 388.340 is amended to read as follows:

Upon filing a petition, or certificate, showing that a minor ward has attained majority, or that *a mentally disabled* [an incompetent] ward has been rated competent upon examination in accordance with the law, the court may order the guardian or *conservator* [committee] to file a final account; and, upon hearing, after notice to the former minor or *mentally disabled person* [incompetent] and to the Veterans Administration in the manner and within the time provided by KRS 388.280, and upon approval of the final account, the court may so adjudge and discharge the guardian or *conservator* [committee] and release the sureties from liability upon delivery to the former ward of the assets due him by the former guardian or *conservator* [committee], and may make such further order as may be lawful.

Section 138. KRS 404.050 is amended to reach as follows:

When a husband has been adjudged mentally *disabled* [incompetent] by a court of competent jurisdiction, the wife, by judgment of a court of equity, may be empowered to sell and convey by her own deed, or to mortgage by appropriate instrument, any of her real estate freed as to it and its proceeds from any claim of her husband.

Section 139. KRS 404.060 is amended to reach as follows:

(1) A married woman may sue, and be sued, as a single woman.

(2) She may defend an action against her and her husband for herself, and for him also if he fail to defend.

(3) If a husband desert his wife, she may bring or defend for him any action which he might bring or defend, and shall have the powers and rights with reference thereto which he would have had but for such desertion.

(4) If a female party to an action marry, her husband may be made a party by a motion, causing the fact to be stated upon the record; and the action shall not be delayed by reason of the marriage.

(5) But if a wife be *adjudged mentally disabled* [of unsound mind], or imprisoned, the actions mentioned in subsections (1), (2) and (3), of this section must be prosecuted or defended by her *guardian, conservator,* [committee] or curator, if she have one, and if she have none, must be prosecuted by her next friend, or defended by her guardian ad litem.

Section 140. KRS 413.090 is amended to read as follows:

Except as provided in KRS 413.110, 413.200, 413.210, 413.220, 413.230 and 413.240, the following actions shall be commenced within fifteen years after the cause of action first accrued:

(1) An action upon a judgment or decree of any court of this state or of the United States, or of any state or territory thereof, the period to be computed from the date of the last execution thereon.

(2) An action upon a recognizance, bond or written contract.

(3) An action upon the official bond of a sheriff, marshal, clerk, constable or any other public officer, or any commissioner, receiver, curator, personal representative, guardian, *conservator* [committee], or trustee appointed by a court or authority of law.

(4) An action upon an appeal bond or bond given on a supersedeas, attachment, injunction, order of arrest or for the delivery of property or for the forthcoming of property, or to obey or perform an order or judgment of court in an action, or upon a bond for costs, or any other bond taken by a court or judge or by an officer pursuant to the directions of a court or judge, in an action or after judgment or decree, or upon a replevin, sale or delivery bond taken under execution or decree, upon an indemnifying bond taken under a statute, or upon a bond to suspend a proceeding, or upon a bond or obligation for the payment of money or property or for the performance of any undertaking.

Section 141. KRS 417.014 is amended to read as follows:

The personal representative of a decedent, the guardian, *conservator* [committee] or curator of a person under disability, or any trustee, may agree to such submission. Upon such a submission, made in good faith, the award shall be binding, and be entered as the judgment of the court. No such fiduciary shall be responsible for any loss resulting from an award adverse to the interest he represents, unless caused by his fault or neglect.

Section 142. KRS 421.210 is amended to read as follows:

(1) In all actions between husband and wife, or between either or both of them and another, either or both of them may testify as other witnesses, except as to confidential communications between them during marriage, provided, however, that in an action for absolute divorce or divorce from bed and board, either or both of them may testify concerning any matter involved in the action, including questions of property, and provided further, that neither may be compelled to testify for or against the other.

(2) Subject to the provisions of subsection (7) of this section, no person shall testify for himself concerning any verbal statement of, or any transaction with, or any act done or omitted to be done by an infant under fourteen years of age, or by one who *has been adjudged mentally disabled* [is of unsound mind] or dead when the testimony is offered to be given except for the purpose, and to the extent, of affecting one who is living, and who, when over fourteen years of age and of sound mind, heard such statement, or was present when such transaction took place, or when such act was done or omitted, and except in actions for personal injury, death or damage to property by negligence or tortious acts, unless:

(a) The infant or his guardian shall have testified against such person, with reference to such statement, transaction or act; or

(b) The person *who has been adjudged mentally disabled* [of unsound mind] shall, when of sound mind, have testified against such person, with reference thereto; or

(c) The decedent, or a representative of, or someone interested in, his estate, shall have testified against such person, with reference thereto; or

(d) An agent of the decedent or *mentally disabled* person [of unsound mind], with reference to such act or transaction, shall have testified against such person, with reference thereto, or be living when such person offers to testify, with reference thereto.

(3) No person shall testify for himself, in chief, in an ordinary action, after introducing other testimony for himself, in chief; nor in an equitable action, after taking other testimony for himself, in chief.

(4) No attorney shall testify concerning a communication made to him, in his professional character, by his client, or his advice thereon, without the client's consent; nor shall an ordained minister, priest, rabbi or accredited practitioner of an established church or religious organization be required to testify in any civil

or criminal case or proceedings preliminary thereto, or in any administrative proceeding, concerning any information confidentially communicated to him in his professional capacity under such circumstances that to disclose the information would violate a sacred or moral trust, unless the person making the confidential communication waives such privilege herein provided.

(5) If the right of a person to testify for himself be founded upon the fact that one who is dead or *mentally disabled* [of unsound mind] has testified against him, the testimony of such person shall be confined to the facts or transactions to which the adverse testimony related.

(6) A person may testify for himself as to the correctness or original entries made by him against persons who are under no disability — other than infancy — in an accounting, according to the usual course of business though the person against whom they were made may have died or have become of *mentally disabled* [unsound mind]; but no person shall testify for himself concerning entries in a book, or the contents or purport of any writing, under the control of himself, or of himself and others jointly, if he refuse or fail to produce such book or writing, and to make it subject to the order of the court for the purposes of the action, if required to do so by the party against whom he offers to testify.

(7) The assignment of a claim by a person who is incompetent to testify for himself shall not make him competent to testify for another.

(8) A party may be examined as if under cross-examination at the instance of the adverse party, either orally or by deposition as any other witness; but the party called for such examination shall not be concluded thereby, but may rebut it by counter testimony.

(9) None of the preceding provisions of this section apply to affidavits for provisional remedies, or to affidavits of claimants against the estates of deceased or insolvent persons, or affect the competency of attesting witnesses of instruments which are required by law to be attested.

Section 143. KRS 453.140 is amended to read as follows:

A personal representative, guardian, assignee, curator, *conservator* [committee] or trustee in an action shall, if unsuccessful, be adjudged to pay costs as other litigants, but the judgment for costs in such cases shall only be against the assets that have, or may, come into the hands of the fiduciary.

Section 144. KRS 453.235 is amended to read as follows:

A guardian, curator, *conservator* [committee] or next friend, suing for a person under disability; and every plaintiff suing as an assignee, except an indorsee of a bill of exchange or a promissory note placed upon the footing of a bill of exchange, when insolvent, may be required to give security for costs; and on failure to do so in a reasonable time after it is directed by the court, upon the motion of the defendant, his action shall be dismissed.

Section 145. KRS 509.070 is amended to read as follows:

(1) A person is guilty of custodial interference when, knowing that he has no legal right to do so, he takes, entices or keeps from lawful custody any *mentally disabled* [incompetent] or other person entrusted by authority of law to the custody of another person or to an institution.

(2) It is a defense to custodial interference that the person taken from lawful custody was returned by the defendant voluntarily and before arrest or the issuance of a warrant for arrest.

(3) Custodial interference is a Class D felony unless the person taken from lawful custody is returned voluntarily by the defendant or unless the defendant is a relative of the victim in which case it is a Class A misdemeanor.

Section 146. KRS 503.110 is amended to read as follows:

(1) The use of physical force by a defendant upon another person is justifiable when the defendant is a parent, guardian or other person entrusted with the care and supervision of a minor or an incompetent person or when the defendant is a teacher or other person entrusted with the care and supervision of a minor, for a special purpose, and:

(a) The defendant believes that the force used is necessary to promote the welfare of a minor or *mentally disabled* [incompetent] person or, if the defendant's responsibility for the minor or *mentally disabled* [incompetent] person is for a special purpose, to further that special purpose or maintain reasonable discipline in a school, class or other group; and

(b) The force that is used is not designed to cause or known to create a substantial risk of causing death, serious physical injury, disfigurement, extreme pain, or extreme mental distress.

(2) The use of physical force by a defendant upon another person is justifiable when the defendant is a warden or other authorized official of a correctional institution, and:

(a) The defendant believes that the force used is necessary for the purpose of enforcing the lawful rules of the institution;

(b) The degree of force used is not forbidden by any statute governing the administration of the institution; and

(c) If deadly force is used, its use is otherwise justifiable under this code.

(3) The use of physical force by a defendant upon another person is justifiable when the defendant is a person responsible for the operation of or the maintenance of order in a vehicle or other carrier of passengers and the defendant believes that such force is necessary to prevent interference with its operation or to

maintain order in the vehicle or other carrier, except that deadly physical force may be used only when the defendant believes it necessary to prevent death or serious physical injury.

(4) The use of physical force by a defendant upon another person is justifiable when the defendant is a doctor or other therapist or a person assisting him at his direction, and:

(a) The force is used for the purpose of administering a recognized form of treatment which the defendant believes to be adapted to promoting the physical or mental health of the patient; and

(b) The treatment is administered with the consent of the patient or, if the patient is a minor or *a* [an] *mentally disabled* [incompetent] person, with the consent of the parent, guardian, or other person legally competent to consent in his behalf, or the treatment is administered in an emergency when the defendant believes that no one competent to consent can be consulted and that a reasonable person, wishing to safeguard the welfare of the patient, would consent.

Section 147. KRS 530.050 is amended to read as follows:

(1) A person is guilty of nonsupport when he persistently fails to provide support which he can reasonably provide and which he knows he has a duty to provide to a minor or *adjudged mentally disabled* [incompetent] child, indigent spouse or indigent parent.

(2) A person is guilty of flagrant nonsupport when he persistently fails to provide support which he can reasonably provide and which he knows he has a duty to provide by virtue of a court order to a minor or [incompetent] child *adjudged mentally disabled*, indigent spouse or indigent parent thereby leaving said dependent in destitute circumstances.

(3) A person has a duty to provide support for an indigent spouse and for a minor or [incompetent] child *adjudged mentally disabled* and, for purposes of this section, is presumed to know of that duty.

(4) Any person who is eighteen years of age or over, residing in this state and having in this state a parent who is destitute of means of subsistence and unable because of old age, infirmity, or illness to support himself or herself, has a duty to provide support for such parent and, for purposes of this section, is presumed to know of that duty.

(5) Nonsupport is a Class A misdemeanor.

(6) Flagrant nonsupport is a Class D felony.

Section 148. KRS 148. KRS 530.080 is amended to read as follows:

(1) A person is guilty of endangering the welfare of *a* [an incompetent] person *adjudged mentally disabled* when he knowingly acts in a manner which results in an injury to the physical or mental welfare of a person who is unable to care for himself because of mental disease or defect.

(2) Endangering the welfare of *a* [an incompetent] person *adjudged mentally disabled* is a Class A misdemeanor.

Section 149. The following KRS Sections are repealed:

387.010 Definitions.

387.035 Order of precedence for appointment of a committee.

387.210 Jurisdiction of district courts over persons of unsound mind and their committees — Bond of committee.

387.220 Inquest required for appointment of committee — Oath to jury — Functions of "visitor".

387.230 Powers and duties of committee — Personal charge may be given to another person — Compensation.

387.250 Leasing of mineral rights by committee.

387.260 Verification of claims against estate.

387.270 Interest charged guardian, committee or curator.

387.280 Handling of amount of not more than $5,000 due to person under disability.

387.281 Jurisdiction to appoint special committee to receive funds from governmental agency for support of indigents.

387.282 Petition for appointment of special committee.

387.283 Bond of special committee.

387.284 Powers of special committee — Accounts.

387.285 Compensation of special committee — Costs of settlement.

387.286 Application of other statutes.

387.287 Limited committee for mentally retarded person — Functions — Report.

387.288 Petition to change or modify committee.

The Committee Substitute to **HB 974** is as follows:

Committee Substitute to **HB 974,** AN ACT relating to guardians, conservators and mentally disabled persons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) It is the intent and purpose of the General Assembly to recognize that disabled persons have varying degrees of disability.

(2) Persons who are only partially disabled must be legally protected without a determination of total incompetency and without the attendant deprivation of civil and legal rights that such a determination requires.

(3) To this end, guardianship and conservatorship for disabled persons shall be utilized only as is necessary to promote their well-being, including protection from neglect, exploitation, and abuse; shall be designed to encourage the development of maximum self-reliance and independence in each person; and shall be ordered only to the extent necessitated by each person's actual mental and adaptive limitations.

(4) If the court determines that some form of guardianship or conservatorship is necessary, partial guardianship or partial conservatorship shall be the preferred form of protection and assistance for a disabled person.

SECTION 2. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context otherwise requires:

(1) "Conservator" means an individual, agency, or corporation appointed by the court to manage the financial resources of a disabled person.

(2) "Limited conservator" means an individual, agency, or corporation appointed by the court to assist in managing the financial resources of a partially disabled person and whose rights, duties, and powers have been specifically enumerated by court order.

(3) "Guardian" means a person appointed by the court to have full care, custody, and control of a disabled person. The person appointed as guardian may also be appointed to manage the financial resources of a disabled person, consistent with the provisions governing conservators.

(4) "Limited guardian" means a guardian who possesses fewer than all of the legal powers and duties of a full guardian, and whose powers and duties have been specifically enumerated by court order.

(5) "Development disability" shall be defined as provided in Public Law 94-103, or as amended.

(6) "Disabled" means a legal, not a medical disability, and is measured by functional inabilities. It refers to any person fourteen (14) years of age or older who is:

(a) Unable to make informed decisions with respect to his personal affairs to such an extent that there is a risk that he will substantially endanger his physical safety or health by conduct demonstrating danger to self or by failure to provide adequate medical care, food, clothing, or shelter; or

(b) Unable to manage his property effectively to such an extent that there is a risk the property will be wasted or dissipated unless proper management is provided.

Such inability shall be evidenced by acts or occurrences within six (6) months prior to the filing of the petition for guardianship or conservatorship and shall not be evidenced solely by isolated instances of negligence, improvidence, or other behavior.

(7) "Partially disabled" refers to an individual whose ability to manage his personal or financial affairs is impaired to the extent that he needs protection or assistance, but who cannot be found to be fully disabled as provided in subsection (4) of this section.

(8) "Mentally ill person" means a person with substantially impaired capacity to use self-control, judgment, or discretion in the conduct of his affairs and social relations, associated with maladaptive behavior or recognized emotional symptoms where impaired capacity, maladaptive behavior, or emotional symptoms can be related to physiological, psychological, or social factors.

(9) "Interdisciplinary evaluation report" means an evaluation of a respondent performed to determine whether he is partially disabled or disabled as defined in this Act. Each interdisciplinary evaluation report shall be compiled by at least three (3) individuals, including: (a) a physician, (b) a social worker with a graduate degree in social work, and (c) a psychologist licensed under the provisions of KRS Chapter 319. At least one (1) person participating in the compilation of the report shall have knowledge of the particular disability which the respondent is alleged to have or knowledge of the skills required of the respondent to care for himself and his estate as provided in this Act.

If the respondent is alleged to be partially disabled or disabled due to mental illness, the social worker and psychologist participating in the compilation of the interdisciplinary evaluation report shall be qualified mental health professionals as defined in KRS 202A.010(10). If the respondent is alleged to be partially disabled or disabled due to mental retardation, the social worker and psychologist participating in the compilation of the evaluation report shall be qualified mental retardation professionals as defined in KRS 202B.010(3).

(10) "Plaintiff" means the Commonwealth of Kentucky.

(11) "Respondent" means an individual alleged in a hearing under this Act to be a partially disabled or disabled person.

(12) "Ward" means a person for whom a limited guardian, guardian, limited conservator, or conservator has been appointed.

(13) "Committee" means a person appointed by the court prior to the enactment of this Act to act as guardian of the person and the estate of a disabled adult.

(14) "Curator" means a person appointed by the court to manage the financial resources of an adult who has not been determined to be disabled or partially disabled.

SECTION 3. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) The district courts shall have exclusive jurisdiction over all proceedings involving a determination of partial disability or disabiilty, the modification of orders, the appointment and removal of guardians and conservators, and the management and settlement of their accounts.

(2) The venue for all proceedings under this Act shall be in the county where the respondent or ward resides. If the respondent or ward is a resident of a long-term care facility as defined in KRS 216.510(1), or a psychiatric hospital, or a boarding home, or a group home, venue shall lie in the county wherein that facility is located or the county of domicile, or the county wherein the parent of the respondent or ward is domiciled if the respondent or ward is a minor. Nothing in this section shall preclude transfer of venue for good cause shown.

(3) If the respondent or ward is not a resident of this state, the venue shall be in any county where property of the respondent or ward is located.

(4) An appeal from a final judgment or order made and entered in proceedings under this Act shall be taken in the same manner as other appeals from district court to circuit court by the respondent, ward, or by any person interested in the person or estate of the respondent or ward. Such appeal shall be advanced on the circuit court docket without motion or notice.

SECTION 4. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A petition for the appointment of a limited guardian, guardian, limited conservator, or conservator for an individual who is alleged to be disabled or partially disabled may be filed by any interested person or entity or by the individual needing guardianship or conservatorship. The petition shall set forth the following:

(a) The relationship and interest of the petitioner;

(b) The name and place of residence of the respondent;

(c) The date of birth of the respondent, if known;

(d) The nature and degree of the alleged disability of the respondent;

(e) The facts and reasons supporting the need for guardianship or conservatorship;

(f) The names and addresses of the respondent's next of kin, if known to the petitioner or reasonably ascertainable;

(g) A description and approximation of the value of the respondent's financial resources, including government benefits, insurance entitlements, and anticipated yearly income, if known; and

(h) The name, address, qualifications, and relationship, if any, to the respondent, of the individual proposed for appointment as limited guardian, guardian, limited conservator, or conservator.

(2) Prior to a hearing on a petition for the appointment of a limited guardian, guardian, limited conservator, or conservator, there shall be filed with the court an interdisciplinary evaluation report which contains:

(a) A description of the nature and extent of the respondent's disabilities, if any;

(b) Current evaluations of the respondent's social, intellectual, physical, and educational condition, adaptive behavior, and social skills. Such evaluations may be based on prior evaluations not more than three (3) months old, except that evaluations of the respondent's intellectual condition may be based on individual intelligence test scores not more than one (1) year old.

(c) An opinion as to whether guardianship or conservatorship is needed, the type of guardianship or conservatorship needed, if any, and the reasons therefor;

(d) An opinion as to the length of time guardianship or conservatorship will be needed by the respondent, if at all, and the reasons therefor;

(e) If limited guardianship or conservatorship is recommended, a further recommendation as to the scope of the guardianship or conservatorship, specifying particularly the rights to be limited and the corresponding powers and duties of the limited guardian or limited conservator;

(f) A description of the social, educational, medical, and rehabilitative services currently being utilized by the respondent, if any;

(g) A determination whether alternatives to guardianship or conservatorship are available;

(h) A recommendation as to the most appropriate treatment or habilitation plan and living arrangement for the respondent and the reasons therefor;

(i) A listing of all medications the respondent is receiving, the dosage, and a description of the impact of the medication upon the respondent's mental and physical condition and behavior;

(j) A determination as to whether attending a hearing on a petition filed under this Act would subject the respondent to serious risk of physical or emotional harm;

(k) The names and addresses of all individuals who examined or interviewed the respondent or otherwise participated in the evaluation; and

(l) Any dissenting opinions or other comments by the evaluators.

(3) The evaluation report may be compiled by a community mental health - mental retardation center, a licensed facility for mentally ill or developmentally disabled persons if the respondent is a resident of such facility, or a similar agency.

(4) In all cases where the respondent is a resident of a licensed facility for mentally ill or developmentally disabled persons, and the petition is filed by an employe of that facility, the petition shall be accompanied by an interdisciplinary evaluation report.

(5) If no evaluation report accompanies the petition, the court shall order appropriate evaluations to be performed by qualified persons or a qualified agency. The report shall be prepared and filed with the court and copies mailed to the respondent and the attorneys for both parties at least twenty (20) days prior to the hearing. All items specified in subsection (2) of this section shall be included in the report.

(6) The court shall order payment for the evaluation of respondent by the plaintiff in an amount which is reasonable as determined by the court, except the court shall not be required to provide for the payment of a fee to any salaried employe of a state agency. Additionally, no payment shall be required of the plaintiff for an evaluation performed by a salaried employe of a community mental health - mental retardation center or private facility or agency where the costs incurred by the center, facility or agency are reimburseable through third party payors. Affidavits or other competent evidence are admissible to prove the services rendered, but not to prove their value.

(7) The respondent may file a response to the evaluation report submitted to the court no later than five (5) days prior to the scheduled date of the hearing.

(8) The respondent may secure an independent evaluation. If the respondent is unable to pay for such evaluation, compensation for the independent evaluation may be paid by the court in an amount which is reasonable as determined by the court.

SECTION 5. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) If the petition is accompanied by an interdisciplinary evaluation report when filed, the court shall fix a date and a place for a hearing to be held within thirty (30) days after the filing of the petition. If no interdisciplinary evaluation report accompanies the petition when filed, the court shall fix a date and a place for a hearing to be held within sixty (60) days after the filing of the petition.

(2) Notice of the time and place of the hearing shall be given not less than fourteen (14) days prior to the hearing to:

(a) The petitioner;

(b) The respondent;

(c) The attorneys for both parties;

(d) The respondent's next of kin named in the petition;

(e) The person with whom the respondent resides, or to the facility director if the respondent resides in a long term care facility as defined in KRS 216.510(1) or in a psychiatric hospital; and

(f) The individual proposed for appointment as limited guardian, guardian, limited conservator, or conservator, if any.

SECTION 6. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) Unless an appearance has been entered on behalf of the respondent, the court shall appoint counsel for the respondent within one (1) week of the filing of a petition for determination of disability under this Act.

(2) The respondent shall pay the costs of legal counsel; however, if the respondent is unable to pay for such representation, the court shall provide counsel as provided in KRS 453.190. The court shall compensate appointed counsel from court funds in an amount which is reasonable and based upon time and expenses. Affidavits are admissible to prove the services rendered, but not to prove their value. If the petition is found to be frivolous or not brought in good faith, counsel fees shall be charged to the petitioner.

(3) In all proceedings under this Act, it shall be the duty of the county attorney to assist the petitioner and represent the interest of the Commonwealth and to assist the court in its inquiry by the presentation of evidence.

SECTION 7. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

The duties of counsel for a respondent shall include a personal interview with the respondent prior to the hearing date to make a reasonable effort to inform him of:

(1) The contents of the petition;

(2) The nature, purpose and legal effects of the proceedings;

(3) The duties of counsel during the proceedings;

(4) The respondent's right to oppose the proceedings and his right to a jury trial;

(5) The respondent's right to attend the hearing and to present evidence; and

(6) Any available alternative resources or causes of action.

SECTION 8. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) At a hearing convened pursuant to this Act for the purpose of determining the disability of a respondent, the respondent shall have a jury trial and shall have the right to present evidence and to confront and cross-examine all witnesses.

(2) The hearing may be closed to the public on request of the respondent or his counsel.

(3) The respondent shall be present at the hearing, and his presence may be waived only upon a determination of the interdisciplinary evaluation team that his attendance would subject him to serious risk of physical or emotional harm. Such determination shall be evidence only of the respondent's physical or emotional inability to attend the hearing and shall not be considered in determining the need for guardianship or conservatorship.

(4) The court may remove itself to the place of residence of the respondent to conduct the hearing in the presence of the respondent.

(5) The burden of proof shall be on the plaintiff to prove the allegations of disability or partial disability by competent evidence and to establish such proof beyond a reasonable doubt.

(6) A limited guardian, guardian, limited conservator, or conservator shall not be appointed unless at least one (1) of the persons who participated in the interdisciplinary evaluation required by this Act testifies in person at the hearing. This section shall not be interpreted to preclude the respondent from requiring the testimony of more than one (1) person participating in the preparation of the evaluation report.

SECTION 9. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) The court, at a hearing convened under this Act for the appointment of a limited guardian, guardian, limited conservator, or conservator, shall:

(a) Inquire into the nature and extent of the general intellectual functioning of the respondent;

(b) Inquire into the respondent's capacity to care for himself and his estate;

(c) Determine whether the respondent is disabled, partially disabled, or has no disability in relation to the management of his financial affairs;

(d) Determine whether the respondent is disabled, partially disabled, or has no disability in relation to the management of his personal affairs;

(e) Dismiss the petition if the respondent is found not to be a disabled or partially disabled person.

(2) If the respondent is found to be disabled or partially disabled beyond a reasonable doubt, the court shall immediately, without a jury, determine:

(a) The type of guardian or conservator to be appointed;

(b) The specific legal disabilities to which the respondent is subject, if the respondent has been determined to be partially disabled;

(c) The corresponding powers and duties of the limited guardian or limited conservator, if the respondent has been determined to be partially disabled;

(d) The individual or entity to be appointed by the court as limited guardian, guardian, limited conservator, or conservator; and

(e) The duration of the term of guardianship or conservatorship.

(3) The court shall make findings of fact on the record regarding the matters specified in subsections (1) and (2) of this section.

SECTION 10. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) If it is found beyond a reasonable doubt that the respondent is partially disabled in managing his personal affairs, but not disabled or partially disabled in managing his financial affairs, a limited guardian shall be appointed.

(2) If it is found beyond a reasonable doubt that the respondent is partially disabled in managing his financial affairs, but not disabled or partially disabled in managing his personal affairs, a limited conservator shall be appointed.

(3) If it is found beyond a reasonable doubt that the respondent is partially disabled in managing both his personal and financial affairs, the court shall appoint a limited guardian, unless the court considers it in the best interest of the ward to appoint both a limited guardian and a limited conservator.

(4) If it is found beyond a reasonable doubt that the respondent is totally without capacity to manage his financial affairs, but is not disabled or partially disabled in managing his personal affairs, the court shall appoint a conservator to manage the financial resources of the ward.

(5) If it is found beyond a reasonable doubt that the respondent is disabled in managing both his personal and financial affairs, the court shall appoint a guardian with all of the powers and duties of a conservator, unless the court considers it in the best interest of the ward to appoint both a guardian and a conservator. Appointment of a guardian with all of the powers and duties of a conservator shall be the preferred form of protection and assistance for a disabled person.

(6) The order of appointment of a limited guardian, guardian, limited conservator, or conservator shall specify:

(a) The type of guardianship or conservatorship to which the ward is subject and, if a guardian is appointed whether the guardian shall also act as conservator;

(b) The name and address of the limited guardian, guardian, limited conservator, or conservator;

(c) The name and address of the standby guardian, if a standby guardian is appointed pursuant to this Act;

(d) The specific legal disabilities to which the respondent is subject, if the respondent has been determined to be partially disabled;

(e) The corresponding powers and duties of the limited guardian or limited conservator, if the respondent has been determined to be partially disabled; and

(f) The duration of the term of guardianship or conservatorship.

(7) A limited guardian or limited conservator shall not be appointed for a term greater than five (5) years and may be appointed for a lesser period. A guardian or conservator may be appointed for a period of unlimited duration.

(8) At the expiration of the term of guardianship or conservatorship a new petition for guardianship or conservatorship may be filed pursuant to this Act.

(9) The order of appointment shall be filed in the district court and with the state central registry provided for in Section 13 of this Act. A certified copy of the order of appointment shall be issued to the limited guardian, guardian, limited conservator, or conservator. Copies of the appointment shall be mailed to the ward, the ward's counsel, the petitioner, the next of kin of the ward named in the petition, and the person with whom the ward resides or to the facility director if the ward resides in a facility.

(10) If the respondent is determined to be disabled or partially disabled but no guardian or conservator is appointed at the hearing, the determination shall have no legal effect.

(11) The rights of which a ward is legally deprived upon appointment of a guardian with all of the powers and duties of a conservator include, but are not limited to, the right to vote, dispose of property, execute instruments, make purchases, enter into contractual relationships, determine his living arrangements, consent to medical procedures, and obtain a motor vehicle operator's license.

(12) A partially disabled or disabled person for whom a limited guardian, limited conservator, or conservator has been appointed retains all legal and civil rights except those which have by court order been designated as legal disabilities or which have been specifically granted to the limited guardian, limited conservator, or conservator. A ward who is partially disabled may be subject to some but not all of the disabilities specified in subsection (11) of this section.

SECTION 11. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) The court may appoint as limited guardian, guardian, limited conservator, or conservator any suitable person or any entity, public or private, capable of conducting an active guardianship or conservatorship program. The court shall not ordinarily or customarily appoint the department for human resources or any other entity, public or private, that is directly providing services to the respondent, unless no other suitable person or entity is available and willing to be appointed. In such case, the department for human resources may, upon application, be appointed as limited guardian, guardian, limited conservator, or conservator pursuant to KRS 210.290.

(2) A written application under oath shall be filed with the court prior to the appointment by any person or entity desiring appointment, stating the name, address, qualifications and relationship of the applicant to the respondent.

(3) Prior to the appointment, the court shall make a reasonable effort to question the respondent concerning his preference regarding the person or entity to be appointed limited guardian, guardian, limited conservator, or conservator, and any preference indicated shall be given due consideration. The court shall appoint the person or entity best qualified and willing to serve.

SECTION 12. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A limited guardian, guardian, limited conservator, or conservator appointed pursuant to this Act may be discharged, or have his duties modified, when the ward's capacity to perform the tasks necessary for the care of his person or the management of his estate have changed so as to warrant such modification or discharge, or when the limited guardian, guardian, limited conservator, or conservator has failed or is

unable to perform his duties adequately. The ward, limited guardian, guardian, limited conservator, or conservator or any interested person on behalf of the ward may petition the court for a discharge or modification order.

(2) A request under subsection (1) of this section, if made by the ward, may be communicated to the court by any means, including but not limited to oral communication or informal letter.

(3) Upon receipt of a petition filed pursuant to this section, the court shall inquire into the facts within ten (10) days. The court may, with or without a hearing, dismiss the petition for good cause shown or alter the specifications of the original order in the following manner:

(a) Dissolve the original order;

(b) Remove the limited guardian, guardian, limited conservator, or conservator and appoint a successor;

(c) Remove the guardian or conservator and appoint a limited guardian or conservator; or

(d) Make any other order which the court deems appropriate and in the best interest of the ward.

(4) Prior to reviewing the petition for discharge or modification, the court may order that an interdisciplinary evaluation be performed. The time period in which the court must review a petition may be extended for an appropriate period of time if an evaluation is ordered by the court.

(5) If the original order is dissolved and no further order is issued, the ward shall be relieved of all legal disabilities. The court shall enter an order and judgment restoring to the person all of the rights and privileges of a citizen.

(6) The clerk of the court shall transmit a certified copy of the restoration judgment or modification to the state central registry provided for in Section 13 of this Act and to the originating court, if the judgment or modification is ordered by a court other than the court in which the person was declared partially disabled, disabled, or incompetent prior to the effective date of this Act.

SECTION 13. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

The department for human resources shall create and maintain a statewide central registry for registration of all determinations of partial disability or disability, modifications of orders, and the appointment and termination of limited guardians, guardians, limited conservators, and conservators.

SECTION 14. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) Any person appointed committee for an incompetent person prior to the effective date of this Act shall assume the duties of a guardian with powers of a conservator and shall be subject to all of the provisions of this Act pertaining to guardians and conservators, including all reporting requirements. The title of such committee shall be guardian. The committee shall, within one (1) year from the effective date of this Act, petition for modification of the original order if a less restrictive guardianship or conservatorship would be more appropriate.

(2) In all instances where an adjudication of incompetency was entered prior to the effective date of this Act and no committee has been appointed, the adjudication of incompetency shall be considered null and void if no guardian or conservator is appointed within ninety (90) days of the effective date of this Act.

SECTION 15. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

It shall be the general duty of the limited guardian or guardian to carry out diligently and in good faith the specific duties and powers assigned by the court and to:

(1) Assure that the personal, civil, and human rights of the ward are protected; and

(2) Encourage the ward to:

(a) Participate to the maximum extent of his abilities in all decisions which affect him;

(b) Act in his own behalf on all matters in which he is able to do so; and

(c) Develop or regain, to the maximum extent possible, his capacity to meet the essential requirements for his physical health or safety, and, if impaired, his capacity to manage his financial resources.

SECTION 16. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

The court may assign to a limited guardian any portion of the powers and duties specified in Section 17 of this Act. The court may assign other duties as are necessary to enhance the ward's safety and well being. A limited guardian shall comply with the reporting requirements specified by Section 18 of this Act which pertain to his powers and duties as specified by the court, provided that all reports submitted shall include the information required by subsections (d) and (f) of Section 18(1) of this Act.

SECTION 17. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

A guardian of a ward shall have the following powers and duties, except as modified by order of the court:

(1) To take custody of the ward and to establish his place of abode within the state, except that, if at any time a guardian places a ward in a licensed residential facility for developmentally disabled persons, the guardian shall, within thirty (30) days of such placement, file with the court notice of the placement, stating specifically the reasons for such placement, and an interdisciplinary evaluation report detailing the social, psychological, medical or other considerations on which such placement is predicated, a description of the treatment of habilitation programs which will benefit the ward as a result of such placement, and a determination that such placement will provide appropriate treatment in the least restrictive available treatment and residential program. For purposes of this subsection, the interdisciplinary evaluation report may be one performed within two (2) months prior to the placement for purposes of determining whether such placement is necessary and appropriate, or may be an evaluation and assessment provided by the residential facility immediately after placement. Notice shall not be required when the ward is transferred from one licensed residential facility to another.

(2) To make provision for the ward's care, comfort, and maintenance and arrange for such educational, social, vocational, and rehabilitation services as are appropriate and as will assist the ward in the development of maximum self-reliance and independence;

(3) To give any necessary consent or approval to enable the ward to receive medical or other professional care, counsel, treatment or service, except that a guardian may not consent on behalf of a ward to an abortion, sterilization, psychosurgery, removal of a bodily organ or amputation of a limb, unless the procedure is first approved by order of the court or is necessary to preserve the life or prevent serious impairment of the physical health of the ward.

(4) To act with respect to the ward in a manner which limits the deprivation of civil rights and restricts his personal freedom only to the extent necessary to provide needed care and services to him;

(5) To expend sums from the financial resources of the ward to cover the reasonable costs incurred on behalf of the ward. The guardian may assist in managing or manage the financial resources of the ward consistent with the provisions governing conservators and limited conservators if specifically authorized to do so by the court. If a separate limited conservator or conservator has been appointed for the ward, the expenditure of funds by the guardian shall be consistent with the duties assigned to and procedures and policies established by such limited conservator or conservator. Conflicts arising between a guardian and a conservator regarding the expenditure of funds which are unable to be otherwise resolved shall be submitted to the court for resolution.

SECTION 18. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A guardian shall file with the court at least annually a verified report stating:

(a) The ward's current mental, physical, and social condition;

(b) The address of every residence of the ward during the reporting period and length of stay at each residence;

(c) A summary of the medical, social, educational, vocational, and other professional services received by the ward during the reporting period;

(d) An outline of the guardian's visits with and activities on behalf of the ward;

(e) An accounting of all financial transactions made by the guardian involving the ward's estate, during the reporting period, including monies received and expenditures made;

(f) A recommendation as to the need for continued guardianship;

(g) A statement signed by the standby guardian, if any has been appointed, that the standby guardian continues to be willing to serve in the event of death, incapacity, or resignation of the guardian; and

(h) Other information requested by the court or useful in the opinion of the guardian.

(2) For the purpose of filing the report required by subsection (1) of this section the guardian shall be given access to records pertaining to the ward held by public or private agencies which contain information necessary for the guardian to perform his duties.

(3) The court shall review the report required in subsection (1) of this section and take whatever action it considers necessary to enhance the well-being of the ward.

SECTION 19. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

It shall be the general duty of the limited conservator or conservator to carry out, diligently and in good faith, the specific duties and powers assigned by the court and to:

(1) Manage or assist in managing those financial resources placed under his supervision or control as would a prudent person managing his own resources and, if a conservator has special skills or is named conservator on the basis of representations of special skills or expertise, he shall use those skills; and

(2) Encourage the ward to:

(a) Participate, to the maximum extent of his abilities, in all decisions which affect him;

(b) Act on his own behalf on all matters in which he is able to do so; and

(c) Develop or regain, to the maximum extent possible, his capacity to manage his financial resources and, if impaired, his capacity to meet the essential requirements for his physical health or safety.

(3) Within sixty (60) days of appointment, the limited conservator or conservator shall file with the court a verified inventory of all the property of the ward which has come to his possession or knowledge, including a statement of all encumbrances, liens, and other secured charges on any item, any claims against the estate of the ward, and any cause of action accruing to the ward. The limited conservator or conservator shall provide a copy thereof to the ward, if he has sufficient mental capacity to understand it, and to any parent or guardian with whom the ward resides.

SECTION 20. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A limited conservator or conservator shall expend or distribute, or authorize the expenditure or distribution of, or assist in the expenditure or distribution of, the principal or income from the financial resources placed under his supervision and control to assure that:

(a) The essential requirements for the physical health or safety of the ward are met;

(b) The rights of the ward are protected;

(c) The financial resources of the ward which are subject to the conservatorship are prudently managed;

(d) The ward has the opportunity to develop or regain the capacity to perform the functions listed in paragraphs (a), (b), and (c) of subsection (1) of this section; and

(e) The limited guardian or guardian for the ward, if any, is able to carry out the duties and powers assigned to him by the court.

(2) In performing his duties, the limited conservator or conservator shall consider:

(a) The requests of the ward and the ward's limited guardian or guardian, if any;

(b) The size of the financial resources under the limited conservator's or conservator's supervision or control;

(c) The probable duration of the conservatorship;

(d) The likelihood that the ward may be able to manage his financial resources in the future;

(e) The accustomed standard of living of the ward; and

(f) Other funds or resources used for the support of the ward which have not been placed under the control or supervision of the limited conservator or conservator.

(3) In addition to the duties and powers listed in subsection (1) of this section, the court may assign to a limited conservator any of the duties and powers listed in Section 21 of this Act which the partially disabled person lacks the ability to perform. A limited conservator shall comply with the reporting requirements of Sections 19 and 22 of this Act.

SECTION 21. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A conservator has all of the powers conferred herein and any additional powers conferred by law on trustees in this state. The conservator may take possession of all of the ward's real and personal property, and of all rents, incomes, and benefits therefrom, whether accruing before or after his appointment, and of the proceeds arising from the sale, mortgage, lease or exchange thereof. Subject to such possession the title of all such estate and to the increment and proceeds thereof shall be to the ward and not to the conservator. It is the duty of the conservator to protect and preserve the estate, to retain, sell and invest it as hereinafter provided, prosecute or defend actions, claims or proceedings in any jurisdiction for the protection of the estate's assets, to account for it faithfully, to perform all other duties required of him by law, and, at the termination of the conservatorship, to deliver the assets of the ward to the persons lawfully entitled thereto.

(2) The conservator shall apply the money and property for the payments of debts, taxes, claims, charges and expenses of the conservatorship and for the support, care, maintenance and education of the ward or his dependents.

(3) Any sale of realty of a ward shall be as provided in KRS Chapter 389.

SECTION 22. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A conservator shall file a report and account annually under oath with the court within sixty (60) days after the anniversary date of his appointment. Said report shall contain:

(a) The present personal status of the ward whose estate is managed by the conservator;

(b) The conservator's plan for preserving and maintaining the estate of which he has control or supervision;

(c) The need for continuation or cessation of the conservatorship; and

(d) The need for any alteration in the powers of the conservatorship.

The annual report shall specify the amount and type of real and personal property received by the conservator and remaining in his control or invested by him, the nature of such investment, and expenditures made *during the preceding year. Upon request of the court, the conservator shall produce for examination any information or documentation which the court may consider relevant to the accounting of the financial and property transactions of the estate.*

(2) A limited conservator or conservator shall also submit a report to the court when:

(a) There is a significant change in the capacity of the ward to manage his financial resources;

(b) The limited conservator or conservator resigns or is removed;

(c) The conservatorship is terminated; or

(d) The court orders additional reports to be filed.

SECTION 23. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

The court may require a limited conservator or conservator to have a surety satisfactory to the court furnish a bond, conditioned on the faithful discharge of all duties and powers assigned in the dispositional order or any modification thereof. The court may accept, in lieu of sureties on a bond, other security for the performance of the bond, including a pledge of securities or a mortgage of land. A bond without sureties may be given if the gross value of the estate of the ward does not exceed twenty-five hundred dollars ($2500).

SECTION 24. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) A parent, spouse or child of a partially disabled or disabled person who has been appointed as limited guardian, guardian, limited conservator, or conservator of that person may, by will, designate an individual to succeed in that capacity upon the testator's death, providing that the testator is serving in that capacity at the time of his death. The testamentary appointment becomes effective upon the filing of the guardian's acceptance in the court in which the will is probated if, before acceptance, both parents are dead or the surviving parent is adjudged disabled. Upon acceptance of the appointment, written notice of acceptance must be given by the guardian to the ward or his nearest adult relative.

(2) The testamentary guardian shall possess the powers of the initially appointed guardian, shall be entitled to receive upon request a copy of the court order creating or modifying the initial guardianship, and shall serve subject to the power of the court which appointed the initial guardian to reduce the scope of the guardianship authority or to dismiss a guardian. If the will appointing a testamentary guardian is determined to be invalid, the court, in considering who shall be appointed guardian, shall give preference to the testamentary nominee.

SECTION 25. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) The court may exercise the powers of a limited guardian or limited conservator or may appoint an individual or agency to exercise such powers if, during the pendency of a proceeding initiated under this Act, it appears that there is danger of serious impairment to the health or safety of the respondent or damage or dissipation to his property if immediate action is not taken.

(2) If the court exercises the powers of a limited guardian or conservator or appoints another to do so in an emergency situation as set forth in subsection (1) of this section, the court shall state on the record findings of fact as to the danger determined to be imminent and the sources relied on in arriving at such determination. The court shall state specifically the type of assistance to be provided, the powers and duties of the temporary guardian, or conservator and the duration of his appointment.

(3) If the court, pursuant to subsection (1) of this section, exercises the powers of a guardian or appoints a temporary guardian before the appointment of a pemanent guardian, a hearing on the petition for guardianship shall be held within fourteen (14) days, or at a time fixed pursuant to Section 5(1) of this Act whichever is earlier.

(4) If the court, pursuant to subsection (1), exercises the powers of a guardian or conservator or appoints a temporary guardian or conservator pending an appeal or action in relation to the appointment of a guardian or conservator under this Act, a hearing shall be held within fourteen (14) days to determine whether the respondent is in need of additional services of a guardian or conservator for the respondent's welfare or protection during the pendency of the appeal or action. If the court determines beyond a reasonable doubt that a need exists, the court may appoint a temporary guardian or conservator whose powers and duties shall be specifically enumerated by court order and whose authority shall expire upon resolution of the appeal or action.

(5) At a hearing held pursuant to either subsection (3) or (4) of this section, a respondent shall have all the rights and privileges otherwise available to a person subject to proceedings under this Act.

SECTION 26. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

On appointment of a limited guardian, guardian, limited conservator, or conservator, the court may designate another eligible individual or entity to assume the powers and duties assigned to the limited guardian, guardian, limited conservator, or conservator upon his resignation, death, or disability. The individual so designated shall file an acceptance with the court within ten (10) days of the resignation, death, *or determination of legal disability of his predecessor. An individual serving on a standby basis may exercise all the duties and powers assigned to his predecessor upon filing of his acceptance, unless otherwise ordered by the court. In an emergency situation and in the absence and unavailability of the initially appointed guardian or conservator, the standby guardian or conservator may temporarily assume the powers and duties of the initially appointed guardian or conservator.*

SECTION 27. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) No filing fees or court costs shall be charged to a respondent or ward in any proceeding under this Act, if the respondent or ward is a poor person as defined in KRS 453.190.

(2) Limited guardians, guardians, limited conservators and conservators are entitled to reasonable compensation for services rendered and to reimbursement for reasonable and necessary expenses incurred in the exercise of their assigned guardianship or conservatorship duties and powers. Such compensation and reimbursement shall be paid from the financial resources of the ward, except that such compensation and reimbursement shall not exceed that provided for in KRS 386.180.

SECTION 28. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) The court records of all proceedings under this Act shall be confidential and shall not be open to the general public except as provided in subsection (3) of this section.

(2) Following the dismissal or withdrawal of a petition filed under this chapter or a determination that a respondent is no longer disabled, the respondent may at any time move to have all court records pertaining to the proceedings expunged from the files of the court, provided that he submits a full release of all claims arising from the proceedings.

(3) Any person seeking to obtain confidential information contained in the court files or the court records of proceedings under this Act may file a written motion setting out the reason the information is needed. The court may issue an order to disclose such information upon a showing that the disclosure is appropriate under the circumstances and in the best interest of the person or the public. The court shall maintain a log of the individuals and entities granted access to the file or records.

SECTION 29.A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) Any person who maliciously causes or conspires with or assists another in causing the unwarranted determination of disability or partial disability of any individual under this chapter, or the denial of any individual of any of the rights accorded to him under the provisions of this chapter, shall be punished by a fine not exceeding five thousand dollars ($5,000) or imprisoned for a term not to exceed five (5) years or both.

(2) Any person who maliciously violates the confidentiality of any records or reports under this chapter shall be punished by a fine not exceeding five hundred dollars ($500) or imprisoned for a term not to exceed one (1) year or both.

Section 30. KRS 23A.200 is amended to read as follows:

(1) The filing fee for a civil case in circuit court shall be seventy dollars ($70); however, there shall be no filing fee for proceedings for a writ of habeas corpus, proceedings under RCr 11.42, and mental health proceedings under KRS Chapters 202A, 202B and *387* [203]. The filing fee shall be paid to the clerk at the time the case is filed.

(2) Additional fees shall be charged in circuit court civil cases as follows:

(a)	Filing a third-party complaint	$10.00
(b)	Preparing a certification	1.00
(c)	Providing a copy of a document (per page)	.25
(d)	Issuing orders of attachment; executions; writ of possession after judgment	10.00
(e)	Issuing garnishments	2.00

(3) The additional fees required by subsection (2) of this section shall be paid to the clerk at the time the service is requested.

(4) Jury fees shall be assessed as costs and shall be paid to the clerk at the disposition of the action by the party against whom the costs have been assessed as follows:

(a)	For a jury of more than six (6) persons	$25.00
(b)	For a jury of six (6) persons	12.50

(5) The following fees shall be paid directly to the sheriff or other officer serving the process by the party requesting the service, at the time of the request as follows:

(a)	Service of process (per process)	$ 3.00

(b) Mileage for service of process (per mile) shall be paid at the prevailing rate applicable for state employes

(6) The cost incurred by the clerk in publishing a notice shall be paid by the party requesting the notice prior to the publication of the notice.

(7) The costs of an original deposition including appearance fees and mileage shall be assessed as costs.

(8) The court, in its discretion, may provide for the payment of additional costs in cases requiring extraordinary services.

Section 31. KRS 202A.030 is amended to read as follows:

(1) If a person in need of immediate care and treatment because of mental illness is present at, or is presented at, a hospital without a court order required for hospitalization under a procedure included in this chapter, *or* KRS Chapter [203 or] 210, two (2) authorized staff physicians, or one (1) authorized staff physician and one (1) qualified mental health professional, of the hospital may order admission of the individual for up to seventy-two (72) hours pending an application for a hearing as provided by the involuntary hospitalization procedures of this chapter, *or* KRS Chapter [203] 210. The physician may, at the time of such admission, initiate without delay any application for an emergency hospitalization order, or other involuntary hospitalization as provided by this chapter, *or* KRS Chapter [203 or] 210.

(2) The authorized staff personnel admitting the individual for involuntary hospitalization under the provisions of subsection (1) of this section must certify in the record of the individual that in their opinion the individual is a mentally ill person and presents an immediate danger or an immediate threat of danger to self or others, as a result of mental illness, if not restrained. The authorized staff personnel admitting a mentally ill person shall further certify in the medical record of the individual that treatment which will reasonably benefit the individual is available at the facility to which he has been admitted and that hospitalization is the least restrictive alternative mode of treatment.

(3) Any person may be admitted to a hospital upon the certification of two (2) physicians, or one (1) physician and one (1) qualified mental health professional, that they have examined the person and have concluded that he is a mentally ill person; that because of his illness he is in need of care and can reasonably benefit from treatment in a hospital; that hospitalization is the least restrictive alternative mode of treatment; and because of such illness he presents an immediate danger or an immediate threat of danger to self or others if not restrained. No person shall be admitted to a hospital on the basis of such certification at any time after the expiration of three (3) days from the date of the examination.

(4) Any individual who has been admitted to a hospital under subsections (1) or (3) of this section shall be released from the hospital within seventy-two (72) hours (excluding weekends and holidays) unless a proper petition for further hospitalization has been filed under the provisions of this chapter, in which case the individual may be retained until the proceeding is terminated by a judgment or an order of the appropriate court. In no case shall the patient be retained in the hospital longer than twenty-one (21) days from the date of application under this section without a hearing and order of the appropriate court pursuant to the applicable provisions of this chapter, unless the patient agrees to remain voluntarily.

Section 32. KRS 202A.070 is amended to read as follows:

(1) Proceedings for involuntary hospitalization of an individual for sixty (60) consecutive days may be initiated by filing a petition as described in this chapter in the appropriate circuit court.

(2) Upon receipt of the petition the court shall give notice to the respondent, to his legal guardian, if any, and to his spouse, parent, or nearest known relative or friend concerning the allegations and contents of the petition and proposed hearing except that when no circuit judge is available in the county, the district judge may do all things necessary to accomplish the purposes of KRS Chapters 202A, 202B, [203] and 210.

(3) As soon as practicable, after notice of the commencement of the proceedings is given to the respondent, the court shall appoint two (2) physicians to examine the respondent and certify to the court their findings as to whether the respondent is a mentally ill person who presents an immediate danger or an immediate threat of danger to self or others as a result of mental illness and who can reasonably benefit from treatment. Each physician shall also certify as to whether in his opinion hospitalization is the least restrictive alternative mode of treatment presently available. The examination shall be held at a hospital or other medical facility or any other suitable place not likely to have a harmful effect on the patient's health.

(4) The court may, after reviewing the allegations contained in the petition, issue a warrant for the arrest of the person named in the petition. Such person if arrested on such warrant shall be conveyed immediately to any hospital, medical facility or institution approved by the secretary and shall be there examined by two (2) physicians. The physicians shall certify to the court their findings as to whether the respondent is a mentally ill person who presents an immediate danger or an immediate threat of danger to self or others as a result of mental illness and who can reasonably benefit from treatment. Each physician shall also certify as to whether in his opinion hospitalization is the least restrictive alternative mode of treatment presently available.

(5) If after their examination the physicians certify that the respondent is a mentally ill person who presents an immediate danger or an immediate threat of danger to self or others as a result of mental illness and that he can reasonably benefit from treatment and that hospitalization is the least restrictive alternative mode of treatment presently available, then such person may be retained in the hospital pending a hearing and order of the appropriate court, or may be transported to an appropriate hospital for retention. In no case

shall the patient be retained in a hospital longer than twenty-one (21) days from the date of the examination without a hearing and order of the appropriate court.

(6) If the criteria for involuntary hospitalization as set forth in subsections (3) and (4) of this section are not certified, the court may, without taking any further action, terminate the proceedings and dismiss the application. Otherwise, the court shall forthwith fix a date and notice of a hearing and render an order within twenty-one (21) days from the date of the examination of the respondent.

(7) The respondent shall be represented at such hearing by an attorney either retained by the respondent or provided by the Commonwealth. The respondent shall be afforded an opportunity to testify, to present, and cross-examine witnesses against him. The court may in its discretion receive the testimony of any other person. The hearing may be conducted in an informal manner, consistent with orderly procedures, and in a physical setting not likely to have a harmful effect on the mental health of the respondent. The hearing may be held by the court in chambers, at a hospital, or other suitable place.

(8) Respondent's presence at the hearing may be waived by the respondent or respondent may be excused from the hearing upon a finding that respondent's presence would seriously disrupt the proceedings or that the respondent's presence at the hearing would be harmful to respondent.

(9) If upon completion of the hearing the court finds that the respondent is (a) a mentally ill person, (b) because of this illness presents an immediate danger or an immediate threat of danger to self or others, (c) that the least restrictive alternative mode of treatment requires hospitalization, and (d) that treatment which can reasonably benefit the respondent is available in the hospital, then the court shall order the individual hospitalized in a hospital selected by the department for a period not to exceed sixty (60) consecutive days.

(10) The hospitalization under this section shall be for a period of time not to exceed sixty (60) consecutive days from the date of the court order. Release shall be by writ of habeas corpus pursuant to the provisions of this section except that a staff physician may release the patient subject to the provisions of this chapter.

(11) When a formal application has been made for a further involuntary hospitalization under the provisions of this chapter, the patient shall not be retained in the hospital longer than ten (10) days from the date of application without a hearing and order of the appropriate court pursuant to the applicable provisions of this chapter, unless the patient agrees to remain voluntarily.

Section 33. KRS 202A.090 is amended to read as follows:

(1) The certificate referred to in this chapter shall be in the form prescribed by the department. The certificate shall state that the respondent has been examined by each of the examining physicians making the certificate within three (3) days prior to the date of the certificate. It shall state the facts and circumstances upon which the judgment of the examining physician is based and shall be sworn to before a notary or the clerk or judge of the court.

(2) When a person has been hospitalized under the provisions of this chapter requiring a petition and certification of two (2) physicians, said certification may be accepted by the circuit court as evidence in lieu of direct testimony from the physicians, whenever the presence of the two (2) physicians at the hearing is waived by the respondent.

(3) Where possible the persons selected by the court to perform examinations as described in this chapter and KRS Chapter[s 203 and] 210 shall have made a special study of mental illness. The examiner shall be entitled to a reasonable fee for such examination and certification, to be paid by the county in which the petition is filed, upon a certified copy of an order of allowance made by the court holding the hearing.

Section 34. KRS 202A.140 is amended to read as follows:

(1) Legal residents of the state who have become public charges in other states and have been returned to Kentucky because they have been adjudged mentally ill by the state returning them may be immediately admitted to a hospital at the request of the secretary or his designated representative.

(2) Within seventy-two (72) hours (excluding weekends and holidays) of the admission date, the staff of the hospital shall determine the need of the person for further hospitalization. If two authorized staff physicians conclude that the patient is mentally ill and presents an immediate danger or an immediate threat of danger to self or others, and can reasonably benefit from treatment in a hospital, and hospitalization is the least restrictive alternative mode of treatment available, they shall file in the appropriate court a certification requesting involuntary hospitalization procedures to be initiated under the provisions of this chapter or KRS Chapter [203 or] 210, unless the patient has agreed to remain voluntarily.

SECTION 35. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

(1) No person shall sue as next friend unless he resides in this state, is free from disability, and files his own affidavit showing his right to sue as next friend according to the provisions of this chapter.

(2) A guardian, curator, committee or next friend who brings or prosecutes an action for a person who is under disability is liable for the costs which accrue during his conduct of the action, unless he be allowed to sue in forma pauperis or by an order of the court.

Section 36. KRS 202A.170 is amended to read as follows:

(1) The chief medical officer of the hospital shall provide reasonable means and arrangements for informing voluntary and involuntary patients of their rights as provided in this chapter.

(2) Voluntary patients shall be informed of their rights to release under this chapter and arrangements shall be made for assisting voluntary patients in making and presenting requests for release.

(3) Any individual who has been involuntarily hospitalized under the provisions of this chapter or KRS Chapter [203 or] 210 shall be entitled to a writ of habeas corpus upon proper petition by himself or a friend to any court generally empowered to issue the writ of habeas corpus in the county in which he is detained.

(4) Subject to the general rules and regulations of the hospital any patient voluntarily or involuntarily hospitalized under any section of this chapter or KRS Chapter [203 or] 210 may exercise all civil rights including but not limited to the right to dispose of property, execute instruments, make purchases, enter into contractual relationships and vote unless he has been adjudicated incompetent and has not been restored to legal capacity. Each patient has the right to communicate by sealed mail. Each patient, notwithstanding any limitations authorized under this section on the right of communication, shall have the right to communicate by sealed mail with his attorney, the court, and the office of the secretary at the expense of the department.

Section 37. KRS 202B.020 is amended to read as follows:

Hospitalization for the care and treatment of mentally retarded persons shall be provided by the same procedures as hospitalization of mentally ill persons as provided in KRS *Chapter* [Chapters 203 and] 210 and as set forth in KRS 202A.020 to 202A.160 and 202A.190, except that:

(a) When the court appoints qualified persons to examine an allegedly mentally retarded respondent such persons shall, where possible, have made a special study of mental retardation;

(b) A qualified mental retardation professional may be substituted for one but not both physicians when certification is required for involuntary hospitalization under this chapter; and

(c) All functions of a hospital as set forth in KRS Chapter 202A may be carried out by a mental retardation residential treatment center.

Section 38. KRS 202B.050 is amended to read as follows:

All rights guaranteed by KRS Chapters 202A[, 203] and 210 to mentally ill persons shall apply to mentally retarded persons.

Section 39. KRS 210.285 is amended to read as follows:

In addition to the specific authority granted by other provisions of KRS Chapters 202A, 202B, [203] and 210, the department for human resources shall have authority to prescribe the form of applications, records, reports, and medical certificates provided for under KRS Chapters 202A, 202B[, 203] and 210 and the information required to be contained therein; to require reports from the head of any hospital relating to the admission examination, diagnosis, release or discharge of any patient; to visit hospitals regularly to review the hospitalization procedures of all new patients admitted between visits; to investigate by personal visit complaints made by any persons on behalf of any patients or by any patients themselves; and to adopt such rules and regulations not inconsistent with the provisions of KRS Chapters 202A, 202B, [203] and 210 as it may find to be reasonably necessary for proper and efficient hospitalization of the mentally ill.

Section 40. KRS 222.410 is amended to read as follows:

(1) The department for human resources shall study the problems of drug abuse and drug addiction within the state, formulate and carry out programs of education designed to curb the excessive use of drugs and reduce the number of drug abusers and drug addicts, establish such facilities and employ such personnel as are necessary and available for the diagnosis and rehabilitation of drug abusers and drug addicts, and accept for examination, diagnosis, guidance and treatment any person coming to it of his own volition for advice and guidance.

(2) The department may contract for space and facilities to be used for outpatient clinics and may contract with hospitals and private doctors for the emergency hospitalization and care of drug abusers and drug addicts. The department may enter into cooperative agreements with municipal and other agencies operating facilities for treating drug abusers or drug addicts, and it may employ such medical, phychiatric, psychological, secretarial and other assistance as may be necessary to carry out the purposes of this section.

(3) The department may accept gifts, bequests, contributions and patient fees, at its discretion, and use such funds to further the purposes of this section.

(4) The department may establish rules and regulations for the admission of patients to its facilities and may set fees for treatment. Except as otherwise provided by law, all provisions of KRS Chapters 202A, 202B, [203] and 210 relating to charges and collections for treatment of the mentally ill shall apply to fees and collection of fees for treatment of alcoholics, drug abusers or drug addicts.

Section 41. KRS 222.430 is amended to read as follows:

(1) Involuntary hospitalization of the drug dependent person, drug addict or person under the influence of drugs as defined in KRS 222.011 shall take place by the same procedures as hospitalization of the mentally ill as provided in KRS Chapters 202A and 210.

(2) All rights guaranteed by KRS Chapters 202A, 202B, [203] and 210 to mentally ill persons shall be guaranteed to the drug dependent person, drug addict and the person under the influence of drugs.

SECTION 42. A NEW SECTION OF KRS CHAPTER 387 AS CREATED TO READ AS FOLLOWS:

(1) Any person who wilfully causes or conspires with or assist another in causing the unwarranted determination of disability or partial disability of any individual under this Act, or the denial of any individual of any of the rights accorded him under the provisions of this Act, shall be punished by a fine not exceeding five thousand dollars ($5,000) or imprisoned for a term not to exceed five (5) years or both.

(2) Any person who violates the confidentiality of any records or reports under this Act shall be guilty of a Class A misdemeanor.

Section 43. KRS 3.265 is amended to read as follows:

(1) The powers conferred by KRS 3.255 to 3.275 are solely to enable the Commonwealth and the United States to exercise concurrent legislative jurisdiction for purposes of criminal law enforcement over United States department of the interior national park system lands in Kentucky. No other legislative jurisdiction is ceded by KRS 3.255 to 3.275, and there are specifically reserved over any lands as to which any legislative jurisdiction may be ceded pursuant to KRS 3.255 to 3.275:

(a) The entire legislative jurisdiction with respect to taxation of the Commonwealth, and of each state agency, county, urban county government, city, special district and other political subdivision

(b) The entire legislative jurisdiction of the Commonwealth with respect to marriage, divorce, annulment, adoption, the commitment or other civil disposition of the mentally *disabled* [incompetent], and the descent and distribution of property; and

(c) The power to execute any process, civil or criminal, issued under the authority of the Commonwealth.

(2) No person residing upon such lands shall be deprived of any civil or political rights by reason of the cession of such legislative jurisdiction to the United States.

Section 44. KRS 26A.015 is amended to read as follows:

(1) For the purposes of this section the following words or phrases shall have the meaning indicated:

(a) "Proceeding" includes pretrial, trial, appellate review, or other stages of litigation;

(b) "Fiduciary" includes such relationships as executor, administrator, *conservator,* trustee, and guardian;

(c) "Financial interest" means ownership of a legal or equitable interest, however small, or a relationship as director, adviser, or other active participant in the affairs of a party, except that:

1. Ownership in a mutual or common investment fund that holds securities, or a proprietary interest of a policyholder in a mutual insurance company, of a depositor in a mutual savings association, or a similar proprietary interest, or ownership of government securities is a "financial interest" only if the outcome of the proceeding could substantially affect the value of the interest;

2. An office in an educational, religious, charitable, fraternal, or civic organization is not a "financial interest" in securities held by the organization.

(2) Any justice or judge of the Court of Justice or master commissioner shall disqualify himself in any proceeding:

(a) Where he has a personal bias or prejudice concerning a party, or personal knowledge of disputed evidentiary facts concerning the proceedings, or has expressed an opinion concerning the merits of the proceeding;

(b) Where in private practice or government service he served as a lawyer or rendered a legal opinion in the matter in controversy, or a lawyer with whom he previously practiced law served during such association as a lawyer concerning the matter in controversy, or the judge, master commissioner or such lawyer has been a material witness concerning the matter in controversy;

(c) Where he knows that he, individually or as a fiduciary, or his spouse or minor child residing in his household, has a pecuniary or proprietary interest in the subject matter in controversy or in a party to the proceeding;

(d) Where he or his spouse, or a person within the third degree of relationship to either of them, or the spouse of such a person:

1. Is a party to the proceeding, or an officer, director, or trustee of a party;

2. Is acting as a lawyer in the proceeding and the disqualification is not waived by stipulation of counsel in the proceeding filed therein;

3. Is known by the judge or master commissioner to have an interest that could be substantially affected by the outcome of the proceeding;

4. Is to the knowledge of the judge or master commissioner likely to be a material witness in the proceeding.

(e) Where he has knowledge of any other circumstances in which his impartiality might reasonably be questioned.

(3) (a) Any justice or judge of the Court of Justice disqualified under the provisions of this section shall be replaced by the chief justice.

(b) Any master commissioner disqualified under the provisions of this section or unable to discharge the duties of his office for any other reason shall be replaced by a special commissioner who shall be appointed by the judge of the court before whom the action is pending. The special commissioner shall meet the same qualifications as a master commissioner and shall take an oath and execute a bond as the regular commissioner is required to do.

Section 45. KRS 26A.250 is amended to read as follows:

(1) For the purposes of this section the following words or phrases shall have the meaning indicated:

(a) "Proceeding" includes pretrial, trial, appellate review, or other stages of litigation;

(b) "Fiduciary" includes such relationships as executor, administrator, *conservator,* trustee, and guardian;

(c) "Financial interest" means ownership of a legal or equitable interest, however small, or a relationship as director, adviser, or other active participant in the affairs of a party, except that:

1. Ownership in a mutual or common investment fund that holds securities, or a proprietary interest of a policyholder in a mutual insurance company, of a depositor in a mutual savings association, or a similar proprietary interest, or ownership of government securities is a "financial interest" only if the outcome of the proceeding could substantially affect the value of the interest;

2. An office in an educational, religious, charitable, fraternal, or civil organization is not a "financial interest" in securities held by the organization.

(2) Any prosecuting attorney shall disqualify himself in any proceeding in which he or his spouse, or a member of his immediate family either individually or as a fiduciary:

(a) Is a party to the proceeding, or an officer, director, or trustee of a party;

(b) Is acting as a lawyer in the proceeding;

(c) Is known by the prosecuting attorney to have an interest that could be substantially affected by the outcome of the proceeding;

(d) Is to the prosecuting attorney's knowledge likely to be a material witness in the proceeding;

(e) Has served in private practice or government service, other than as a prosecuting attorney, as a lawyer or rendered a legal opinion in the matter in controversy;

(f) Has a financial interest in the subject matter in controversy or in a party to the proceeding, or any other interest that could be substantially affected by the outcome of the proceeding.

(3) Any prosecuting attorney may be disqualified by the court in which the proceeding is presently pending, upon a showing of actual prejudice.

(4) In the event that a prosecuting attorney is disqualified, he shall certify such fact in writing to the attorney general who may direct another commonwealth's attorney or county attorney or an assistant attorney general as a special prosecutor to represent the Commonwealth in that proceeding.

Section 46. KRS 40.060 is amended to read as follows:

All applications for the veterans' bonus shall be submitted to the administrator, in writing, upon forms prepared and made available by the administrator; and shall be accompanied by such documentary evidence as the administrator may by regulation prescribe. Every application shall be verified under oath, and shall contain representations of the claimant (or, if he shall have been adjudged *mentally disabled* [incompetent], or be an infant, or his [committee or] guardian *or conservator*), that:

(1) The facts therein stated are true to the best of his or her knowledge and belief;

(2) All documents submitted in support of the application are believed by the claimant to be genuine originals, or copies, as the case may be; and the claimant has no knowledge that any fact appearing therein is false, or no longer true, or that the document has been superseded or canceled;

(3) The claimant has not received a veterans' bonus or like compensation from any other state;

(4) That the claimant has neither paid nor agreed to pay, directly or indirectly, any compensation for assistance received in preparing or tendering the application; and has not solicited, received, or agreed to receive, directly or indirectly, any compensation for rendering assistance to any other claimant; and

(5) The claimant has knowledge of the penal and forfeiture provisions of this chapter.

Section 47. KRS 61.360 is amended to read as follows:

(1) The governor or his agent may appoint special local peace officers, for such time as he deems necessary, to preserve the peace and protect the property of any person from waste or destruction, provided, however, that no such peace officer(s) shall be actively employed at any factory, mine, workshop, retail establishment, or at any other location where a strike, a slow down, a sit in, or any other type of work stoppage exists, if the employment of such peace officer(s) would result in the unreasonable expansion of the normal complement of such peace officers or the relieving of normal guards or peace officers to perform other duties. Upon the application of an owner of property for such services, and upon payment of a fee of ten dollars ($10) for each officer to be appointed, the governor may immediately appoint the person recommended by the owner, if the person is eligible. No person shall be eligible for appointment under this section unless he has established to the satisfaction of the governor that he possesses the following qualifications:

(1) No person shall serve as a special local peace officer:

(a) Unless he is a citizen of the United States, is twenty-one (21) years of age or over, and unless he is able to read and write;

(b) Unless he has resided in the county wherein he is appointed to serve for a period of at least one (1) year;

(c) Who has ever been convicted of or is under indictment for a crime involving moral turpitude, dishonesty or fraud; unauthorized divulging or selling of information or evidence; impersonation of a law enforcement officer or employe of the United States or any state or political subdivision thereof; illegally using, carrying or possessing a firearm or dangerous weapon; habitual drunkenness; using or selling or possessing narcotics; or who has been adjudged mentally *disabled* [incompetent] by a court of competent jurisdiction and such adjudication has not been set aside; or has renounced his citizenship, or being an alien, is illegally or unlawfully in the United States;

(d) Who within a period of two (2) years has hired himself out, performed any service, or received any compensation from any private source for acting, as a privately paid detective, policeman, guard, peace officer or otherwise as an active participant in any labor dispute, or conducted the business of a private detective agency or of any agency supplying private detectives, private policemen or private guards, or advertised or solicited any such business in connection with any labor dispute;

(e) Unless he has filed his photograph with the county clerk of the county in which he is to serve, together with his affidavit stating his full name, age and residence address and that he is not prohibited from serving by this section.

(2) The photograph so filed with the county clerk shall constitute a public record. The governor may remove any officer so appointed at will or at the request of the owner of the property.

(3) The duties of the officer shall be confined to the premises of the property to be protected, except while in pursuit of a person fleeing from the property after committing an act of violence or destruction of the property. In that case, the officer may pursue the person and make arrest anywhere within this state. He may wear such badges and insignia as will plainly indicate to the public that he is a special local peace officer, but he shall not, in any event, wear any uniform, or any part thereof, of any public police officer; nor shall he in any way impersonate a public police officer or represent himself to any person or persons as being a public police officer; nor shall he perform any of the duties of a public police officer, except those specifically herein granted and at the places herein specifically designated.

(4) Application fees shall be placed in the state treasury and credited to a revolving fund for administrative expenses.

(5) Every special local peace officer appointed pursuant to this section shall execute bond in the amount of five thousand dollars ($5,000).

Section 48. KRS 61.906 is amended to read as follows:

In order to qualify for a commission as a special law enforcement officer under KRS 61.900 to 61.930, an individual must present satisfactory evidence of compliance with the following conditions and requirements:

(1) No person shall be eligible for a commission who:

(a) Has been dishonorably discharged from the armed forces of the United States; or

(b) Has been convicted in any jurisdiction of any felony or of any crime involving moral turpitude for which he has not received a full pardon; or

(c) Has been convicted of any other offense or offenses more than five times within the previous three years; or

(d) Has by any court of competent jurisdiction been declared *mentally disabled* [incompetent] by reason of mental defect or disease and has not been restored; or

(e) Suffers from habitual drunkenness or from narcotics addiction or dependence, or from any physical defect or deficiency which the secretary determines to materially impair the applicant's ability to perform the duties of a special law enforcement officer.

(2) Every person to be eligible for a commission shall:

(a) Have reached his twenty-first birthday;

(b) Provide, on forms supplied by the secretary, such information pertaining to himself as may be reasonably be requested thereon, including, but not limited to: his name; age; date of birth; current address and employment; prior addresses and employment for the past ten years; aliases, if any; arrest and conviction record, if any; social security number; fingerprints; photographs; and general physical description. The accuracy of such information shall be attested by the applicant and his attestation shall be notarized by one authorized to administer oaths; and

(c) Be of good moral character; and

(d) Provide references from two reputable residents of the Commonwealth who are not related to him and who have known him well for a period of not less than three years, attesting to his good character; and

(e) Pay the fees provided in KRS 61.908; and

(f) Provide evidence satisfactory to the secretary that he meets the following requirements:

(i) Is a graduate of an accredited high school; or of an equivalent technical or vocational training or education program satisfactory to the secretary; or holds a G.E.D. certificate; provided, however, that all special local peace officers formally commissioned under KRS 61.360 and with unexpired commissions on December 31, 1976, shall be deemed to have met the requirements of this subsection; and

(ii) Has successfully completed not fewer than eighty hours of training in a program approved by the council and dealing comprehensively with the subjects of criminal law and the law of arrest, search and seizure; or has been employed as a full-time sworn public peace officer for a period of not less than one year within the past five years, and has never been discharged for cause from employment as a sworn public peace officer; or has been employed in a full-time capacity as a military policeman engaged in law enforcement for the United States armed forces for a period of not less than one year within the past five years; or has successfully completed a written, oral and practical examination approved by the council and dealing comprehensively with the subject matter of criminal law and the law of arrest, search and seizure; and

(iii) Demonstrates, in written and practical examinations approved by the council, knowledge of and proficiency in firearms safety, range firing, the moral and legal aspects of firearms use, and first aid. Provided, however, that all special local peace officers formally commissioned under KRS 61.360 and with unexpired commissions on December 31, 1976 shall be deemed to have met the requirements of these subsections.

Section 49. KRS 62.030 is amended to read as follows:

Every person, before entering on the duty of executor, administrator, guardian, curator or *conservator* [committee] of a person who is mentally *disabled* [retarded or mentally ill], or any other like trust or employment, in lieu of all other oaths not expressly required by law, shall take in substance the following oath or affirmation "I do solemnly swear (or affirm) that I will faithfully perform the duties of .... according to law."

Section 50. KRS 62.090 is amended to read as follows:

If a surety in any official bond, or bond of a personal representative, guardian, *conservator,* curator, assignee or trustee, [committee of a mentally ill person,] master commissioner, receiver, or in any bond or covenant which by law may be required to be executed in court, or before an officer at the commencement or during the progress of any civil judicial proceeding, wishes to be relieved from future liability and to obtain indemnity for liability already incurred, or either, he may file a motion in the court in which the original bond was given or in whose clerk's office the bond is required to be kept. If the bond was not given in any court or is not required to be kept in any office, the motion shall be filed in the circuit court of the county in which the principal resides, or if the principal has no residence in this state, then in the circuit court of the county of the residence of the surety. The motion may be filed in the court or the motion and notice, with return showing service, may be filed in the office of the clerk of the court.

Section 51. KRS 73.230 is amended to read as follows:

Any person desiring to have his land processioned, or desiring to take depositions as allowed by KRS 73.220, may give ten (10) days' notice to any person interested, or his agent or attorney, or, if an infant, *or person adjudged mentally disabled* [mentally ill or mentally retarded person], to his guardian or committee, of the time and place when and where the processioners will convene. If the party interested does not reside in the state, and has no known agent therein, notice shall be published pursuant to KRS chapter 424 and shall also be posted for the same period that publication is required on the courthouse door. The printer of the paper in which the notice is published shall make an affidavit of the fact of publication, which, with the notice, shall be filed with the processioners before they act, and returned with their proceedings. An affidavit of a disinterested person of the service of a notice on persons interested, or their agents, or the fact of such agency, shall, in like manner, be made and filed with the processioners, and returned with their report.

Section 52. KRS 91.450 is amended to read as follows:

Within a reasonable time after the tax bills for the year have been listed with the tax receiver, he shall mail a postpaid tax notice, directed to the best of his knowledge, to every person against whom a tax bill has been listed. In the case of an infant or mentally *disabled* [ill] person the notice shall be mailed to his guardian or *conservator* [committee], and in the case of an absent owner whose address is unknown to the tax receiver it shall be mailed to the agent of the owner. The tax notice shall give a brief description of the property taxed, and shall state the number and amount of the bill listed against the taxpayer, the date of its maturity, and the penalties imposed for nonpayment. The failure of the tax receiver to send the tax notice, or of the taxpayer to receive it, shall not invalidate the tax, or the interest or penalties provided for by KRS 91.430, or any subsequent proceeding for the collection of either.

Section 53. KRS 92.560 is amended to read as follows:

As soon as the tax levy ordinance in each city of the second class becomes in force, the auditor shall deliver the assessment books to the city clerk, who shall from them make out the tax bills. Each bill shall show each lot and the assessment thereon separately, the name of the supposed owner, the net total assessment of personal property against the person and the tax thereon. The tax bills shall be so arranged that the bill for each half-year may be detached and have each part intelligible. There shall be attached to each bill a stub showing in condensed form the items and amounts in the bill, and the bills and stubs shall be numbered consecutively, the number of each stub to correspond to the bill to which it is attached. The bills and stubs shall be bound in book form. On or before April 1 of each year the clerk shall deliver the assessment books and tax bills to the auditor, and together they shall ascertain whether the sum of the tax bills equals the amount of the tax which, at the rate fixed, the total assessment should realize, and if it does not, they shall find and correct the error. When the error is corrected, the auditor shall receipt for the assessment books and tax bills. The auditor shall then deliver all tax bills to the treasurer and take his receipt for the gross amount of the bills. As soon as practicable after receiving the tax bills, the treasurer shall mail to each person against whom a tax bill has been listed, or to his guardian or *conservator* [committee], a postpaid notice, directed to the best of his knowledge, stating the number and amount of the bill, the date when due and the penalties imposed for nonpayment. The failure of the treasurer to send the notice, or of the taxpayer, guardian or *conservator* [committee] to receive it, shall not invalidate the tax or the interest or penalties, or any subsequent proceeding for the collection thereof.

Section 54. KRS 92.710 is amended to read as follows:

(1) The treasurer of each city of the second class shall, within ten (10) days after selling real property for taxes, make a written report thereof to the city auditor. The report shall show the time and place of the sale, the name of each delinquent, the years for which the sale was made, the number of each tax bill, the amount of taxes, interest, penalties and costs on each tax bill for each year, the name of the purchaser, the amount paid, and a brief description, by lot and block numbers as shown by the city maps or some other method sufficiently accurate to identify each parcel, of the property sold. The report shall be recorded in the auditor's office in an appropriate book provided for that purpose, with an alphabetical index of the names of delinquents whose property has been sold, and with appropriate columns and spaces opposite each name in which shall be entered a record of the sale and redemption of the property or of its conveyance to the purchaser in case it is not redeemed. The original report of the treasurer shall likewise be preserved. Upon the purchase of any real property by any person other than the city and the payment of the purchase price, the treasurer shall give the purchaser a certificate of purchase, which shall be in substance a copy of the treasurer's report as to the property bought. A duplicate of each such certificate shall be recorded in a book kept for that purpose as a public record in the auditor's office. In cases where the property is bought by the city, it shall not be necessary for the treasurer to issue a certificate of purchase, but the treasurer's report shall be deemed his certificate of any such purchase by the city.

(2) The collector of each city of the third class, after selling any real property for taxes, shall return upon the same paper upon which his levy is written a description of the property sold, the time and place of sale, a statement that he first advertised the sale according to law, the name of the purchaser and the amount paid by him for the property sold. The collector shall deliver the levy and return to the office of the city clerk, who shall record or bind it in a book kept for that purpose, and the original return of the collector shall also be filed and preserved in the office of the city clerk. The collector shall make all sales, returns and settlements before the end of the fiscal year. The collector shall give to the purchaser of any real property sold by him for taxes, except when the city is the purchaser, a certificate of purchase, containing a description of the land purchased, the time of sale, the quantity sold, the price, the amount of taxes sold for, and the year or years for which the taxes were owed. The certificate will be sufficiently descriptive if the property can be conveniently found from an inspection of the map of the city or, if the property is not properly described in the map, if the description is otherwise sufficient to enable the purchaser to find the property. All certificates of purchase shall be recorded or bound in a book kept for that purpose by the city clerk, as a public record. The collector's return of any sale of real property to the mayor for the use of the city shall be deemed his certificate of such purchase by the city.

(3) The collector or treasurer of each city of the fourth class, within twenty (20) days after selling any real property for taxes, shall report in writing to the county clerk of the county in which the city is located. The report shall show when the sale was made, the steps taken by the collector or treasurer prior to and at the sale, the name of the purchaser, the price, and a full description of the property. The county clerk shall record and index the report in the book in which he records the sheriff's report of tax sales. Such reports, when recorded, shall operate as conveyances to the purchasers, whether the city or private persons, and shall vest in the purchasers the title of the persons whose property was sold at the sale, except that of persons under legal disability, and shall be constructive notice as to the claim existing in favor of the purchaser against the real property of persons under no legal disability. The county clerk shall have a fee of fifty cents (50¢) for each entry so made.

(4) The collector or treasurer of each city of the fourth class shall, within thirty (30) days after each sale of real property, issue to the purchaser a certificate of purchase, describing the property sold and stating the time of sale and the price. If the collector or treasurer fails to make the report of sale to the county clerk provided for in subsection (3) of this section, any purchaser may file with the county clerk the collector's or treasurer's certificate of purchase. The clerk shall then record and index the certificate of purchase in the book mentioned in subsection (3) of this section, and it shall have the same effect as the collector's or treasurer's report would have had if returned.

(5) Any purchaser, other than the city, of real property sold for taxes of a city of the fourth class shall forfeit his right to the purchase unless, within six (6) months after the collector or treasurer delivers to him the certificate of purchase, the purchaser gives written notice of his purchase as follows:

(a) To the statutory guardian, parent or person in charge of an infant, in the order named, if the property belonged to an infant.

(b) To the *guardian or conservator* [committee] or the person in charge of *a mentally disabled* [an incompetent] person *or his estate*, in the order named, if the property belonged to *a mentally disabled* [an incompetent] person.

Section 55. KRS 92.730 is amended to read as follows:

(1) When real property has been sold for taxes of a city of the third class and purchased by the mayor for the benefit of the city, the owner of the property, or his heirs, representatives or assigns, may redeem the property at any time within two (2) years from the day of sale, by paying to the city the amount bid at the sale, with eight per cent (8%) per annum interest thereon from the day of sale.

(2) When real property has been sold for taxes of a city of the third class and purchased by someone other than the city, the owner of the property, or his heirs or personal representatives, may redeem the property at any time within one (1) year from day of sale, by paying or tendering to the purchaser or his representatives the full amount for which the property was sold, with twenty per cent (20%) per annum interest thereon from the day of sale. If the purchaser refuses to accept payment, or is a nonresident of the city, the owner may deposit the amount and interest with the city treasurer and take his receipt therefor, and shall at once file the receipt with the city clerk, which shall operate as a redemption of the property.

(3) If the owner of the property is a minor, or *a mentally disabled* [an incompetent] person, and the property is not redeemed within two (2) years from the day of sale, by the owner or by someone for him, the purchaser, other than the city, may bring suit in equity in the circuit court of the county to have a sufficient amount of the property sold to pay the sum bid at the collector's sale, with interest at ten per cent (10%) per annum and costs of suit, and to pay any other taxes appearing to be due on the property at the time judgment is rendered. The plaintiff shall, before any judgment is rendered, give good security to the defendant, to be approved by the court, that he will pay all taxes for which the property is adjudged to be sold, and shall, before any deed to the property sold under the judgment is made, produce to the court and file in the action proper and legal receipts for such taxes. No such suit against a person under disability shall be brought after five (5) years from the day of the collector's sale.

Section 56. KRS 92.740 is amended to read as follows:

(1) When real property has been sold for taxes of a city of the fourth class, an owner not under disability, or his representatives, heirs or assigns, may redeem the property from the city or any other purchaser at any time within two (2) years from the day of sale, by paying the purchase money with interest at the rate of ten per cent (10%) per annum, the costs and a penalty of fifteen per cent (15%) upon the total amount of the purchase price. Any person under disability at the date of sale, except *a person adjudged mentally disabled* [an incompetent person], shall have one (1) year after the removal of the disability, and any *mentally disabled* [incompetent] person shall have five (5) years from the receipt of the notice provided for in subsection (5) of KRS 92.710, in which to redeem his property on the same terms as other owners.

(2) If the property is redeemed from the city, the city clerk shall collect the amount of the tax, penalty and costs from the delinquent taxpayer, and give him a receipt therefor.

(3) When a redemption is made, the purchaser shall mark the word "redeemed" on the margin of the record book provided for in subsection (3) of KRS 92.710, in a space left for that purpose, with the date and his signature. The county clerk shall have a fee of twenty-five cents (25¢) for each redemption.

Section 57. KRS 93.490 is amended to read as follows:

(1) Any property owner who desires to exercise the privilege of payment by instalment shall, before the expiration of the thirty (30) days, pay in cash one-tenth (1/10) of the assessment against him and enter into an agreement in writing with the city that in consideration of this privilege he will make no objection to any illegality or irregularity in the assessment, levy or imposition of the taxes against his property, and that he will pay them in the manner provided in KRS 93.500. Any property owner entering into such an agreement or who exercises the option to pay in instalments shall be concluded thereby, and shall waive any defense against the payment of the taxes. The agreement shall be filed and recorded in the office of the director of finance, who shall retain it as a record of his office and furnish a copy to the director of works, who shall preserve it as a part of the records of his office.

(2) In all cases where agreements have not been filed within the time limit, the entire tax shall be payable in cash, and if not paid within the thirty (30) days shall bear interest at the rate of six per cent (6%) per annum from the date of the assessment and levy, and shall be collected by the city by suit.

(3) If any property subject to the tax is owned by an infant or a *mentally disabled* person [of unsound mind] or by a life tenant, the agreement herein provided for may be executed by the statutory guardian of the infant or the *guardian, conservator* [committee] or curator of the *disabled* [insane] person, or by the life tenant.

(4) Unless persons who, in the aggregate, are liable for at least one thousand dollars ($1,000) in excess of the cash payments made or provided for exercise the option to pay on the instalment plan, the option shall terminate and the entire tax shall be payable in cash and collected as herein provided.

Section 58. KRS 94.316 is amended to read as follows:

(1) In the original ordinance providing for a public improvement, the city legislative body shall have the alternative of providing that the improvement tax may, at the option of the property owners subject to the tax, be payable in instalments, as provided in this section and in KRS 94.317. Any property owner who desires to exercise this option shall, before the expiration of thirty (30) days from the day of publication of the abstract of the ordinance of apportionment and levy, enter into an agreement in writing with the city that in consideration of this privilege he will make no objection to any illegality or irregularity in the assessment, levy or imposition of the tax against his property, and that he will pay the tax in the manner provided in KRS 94.317. Any property owner entering into such an agreement shall be concluded thereby, and shall waive any defense against the payment of the tax. The agreement shall be filed in the office of the city treasurer, who shall preserve it as part of the records of his office.

(2) If any property subject to improvement tax is owned by an infant or a *mentally disabled* person [*of unsound mind*] or a life tenant, or is property which has descended by inheritance or will, the agreement provided for in this section may be executed by the statutory guardian of the infant, or the *guardian, conservator* [committee] or curator of the *disabled* person [of unsound mind], or the life tenant, or the heirs at law, or devisees, or the personal representative of the deceased owner of such property.

(3) In all cases where agreements have not been filed within the time specified in subsection (1) of this section, the entire improvement tax shall be payable in cash, and shall be subject to interest, as provided in KRS 94.313.

Section 59. KRS 99.200 is amended to read as follows:

Notwithstanding any requirement of law to the contrary or the absence of direct provision therefor in the instrument under which a fiduciary is acting, every executor, administrator, trustee, guardian, *conservator* or any other person holding trust funds or acting in a fiduciary capacity, unless the instrument under which such fiduciary is acting expressly forbids, the state, its subdivisions, cities, all other public bodies, all public officers, corporations organized under or subject to the provisions of the banking law (including savings banks, savings and loan associations, trust companies, banking corporations), the commissioner of banking and securities as conservator, liquidator or rehabilitator of any such person, partnership or corporation, persons, partnerships and corporations organized under or subject to the provisions of the insurance law, the commissioner of insurance as conservator, liquidator or rehabilitator of any such person, partnership or corporation, any of which owns or holds any real property within a development area, may grant, sell, lease or otherwise transfer any such real property to a redevelopment corporation, and receive and hold any cash, stocks, notes, mortgages, or other securities or obligations, which they are allowed by law to acquire, exchanged therefor by such redevelopment corporation, and may execute such instruments and do such acts as may be deemed necessary or desirable by them or it and by the redevelopment corporation in connection with the development and the development plan.

Section 60. KRS 99.270 is amended to read as follows:

Certificates, bonds and notes, or part interests therein, or any part of an issue thereof, which are secured by a first mortgage on the real property in a development area, or any part thereof, shall be securities in which all the following persons, partnerships or corporations and public bodies or public officers may legally invest the funds within their control, provided that the principal amount secured by such mortgage shall not exceed the limits, if any, imposed by law for such investments by the person, partnership, corporation, public body or public officer making the same: Every executor, administrator, trustee, guardian, *conservator* [committee] or other person or corporation holding trust funds or acting in a fiduciary capacity; the state, its subdivisions, cities, all other public bodies, all public officers; persons, partnerships and corporations organized under or subject to the provisions of the banking law (including savings banks, savings and loan associations, trust companies, banking corporations); the commissioner of banking and securities as conservator, liquidator or rehabilitator of any such person, partnership or corporation; persons, partnerships or corporations organized under or subject to the provisions of the insurance law; fraternal benefit societies; and the commissioner of insurance as conservator, liquidator or rehabilitator of any such person, partnership or corporation.

Section 61. KRS 117.075 is amended to read as follows:

(1) Any qualified voter who has not been declared *mentally disabled* [incompetent] by a court of competent jurisdiction, and who, on account of age, infirmity or illness, is not able to appear at the polls on election day may vote in the following manner. At least seven (7) days prior to the date of the election, he shall present to the clerk by mail his verified statement that his inability to appear is due to age, infirmity, or illness, and a verified statement of a physician corroborating the voter's statement and indicating whether or not the condition is temporary, applying to the instant election only, or is expected to be a continuing one. If the condition is indicated as being continuing the voter need not file further statements of disability.

For ensuing elections the voter may make reference to the statement previously filed when applying for a special ballot. The county clerk shall maintain a file of all such statements. Upon receipt of the verified statement, the clerk shall immediately mail to the voter a special ballot, and envelopes, and the voter shall cast his vote in the same manner as provided for the absent voter in KRS 117.335.

(2) Special ballots cast by disabled persons shall be tabulated in the same manner as are special ballots cast by absent voters.

Section 62. KRS 132.043 is amended to read as follows:

(1) To the extent that any right or interest, vested or otherwise, in a plan established by or for an individual or individuals for retirement purposes and meeting the requirements for exemption under the federal income tax laws may be held to be subject to assessment and taxation, the basis of the assessment shall be the fair cash value of such vested right or interest.

(2) The owner or person enjoying such right or interest, on January 1 of each year, shall pay a tax to the state of one-tenth of one cent ($.001) upon each one hundred dollars ($100) of the fair cash value. No other tax shall be assessed by the state or by any county, city, school district, or other taxing district on any such right or interest or against the holder of any such right or interest.

(3) The administrator, executor, trustee, *conservator, guardian,* [committee,] curator, or agent of any plan established for retirement purposes, as defined in subsection (1) of this section may list and pay the applicable tax for all of the participants in the plan subject to taxation by virtue of their respective vested rights or interests in such pension plan, and the owner or person enjoying such right or interest shall be deemed to have paid such tax.

Section 63. KRS 132.190 is amended to read as follows:

(1) The property subject to taxation, unless exempted by the constitution, shall be as follows:

(a) All real and personal property within this state, including intangible personal property of nonresidents and corporations not organized under the laws of this state that has acquired a business situs within this state, except that twenty-five (25) domestic fowls to each family shall be exempt from taxation for any purpose.

(b) All intangible personal property of individuals residing in this state and of corporations organized under the laws of this state unless it has acquired a business situs without this state.

(2) The property enumerated in paragraph (b) of subsection (1) of this section shall be considered and estimated in fixing the valuation of corporate franchises.

(3) Property shall be assessed for taxation at its fair cash value, estimated at the price it would bring at a fair voluntary sale.

(4) The situs of intangible personal property for purposes of taxation shall be at the residence of the real or beneficial owner, and not at the residence of the fiduciary or agent having custody or possession. Any intangible property owned by a resident shall be taxable in this state, unless by the date of assessment he has changed his place of abode to a place without this state with the bona fide intention of continuing actually to abide permanently without this state. The fact that a person again abides within this state within six (6) months from so changing his actual place of abode shall be prima facie evidence that he did not intend permanently to have his actual place of abode without this state. A person so changing his actual place of abode and not intending permanently to continue it without this state and not having listed his property for taxation as a resident of this state shall, for the purpose of having his property assessed for taxation within this state, be deemed to have resided, on the day when his property should have been so assessed, at his last actual or habitual place of abode within this state. The fact that a person does not claim or exercise the right to vote at public elections within this state shall not of itself constitute him a nonresident of this state.

(5) An administrator, executor, trustee, *guardian, conservator* [committee], curator, or agent residing in this state shall not be liable for taxes on intangible personal property held by him if the real or beneficial owner of the property resides outside of this state. This exemption shall not apply in the case of an executor or administrator in the exercise of his office as personal representative while the estate of a deceased person is in process of settlement and before the share of the nonresident legatee or beneficiary is set apart to him, or before the legatee or beneficiary is entitled to be paid his share.

(6) Nothing contained in this section shall affect the liability for franchise taxes payable by corporations organized under the laws of this state; nor the method of taxation of banks and trust companies provided in KRS 136.270; nor the method of taxation of savings and loan associations provided in KRS 136.300; and nothing contained in this section shall alter or repeal KRS 136.030.

Section 64. KRS 132.510 is amended to read as follows:

Every executor, administrator, guardian, *conservator,* trustee, trustee in bankruptcy, receiver or other person acting in a fiduciary capacity shall, when required, file with the department of revenue a sworn inventory showing in detail the amount and character of personal property in his hands, unless the inventory has been filed as a public record in the court in which the fiduciary qualifies. The department may examine the books and accounts of any person acting in a fiduciary capacity. No fiduciary shall receive a final discharge until he has satisfied the court settling his accounts that all taxes against the estate have been paid.

Section 65. KRS 132.810 is amended to read as follows:

(1) To qualify under the homestead exemption provision of the Constitution, each person claiming the exemption shall file an application with the property valuation administrator of the county in which the applicant resides, on forms prescribed by the department of revenue. The assessed value of property on which homestead exemption is claimed shall not be increased because of valuation expressed on the application form filed with the property valuation administrator, and whenever it becomes known that the valuation of property subject to the homestead tax exemption has been increased because of valuation expressed on the application form, adjustment shall be made the following year so that the total tax paid by the taxpayer is the same as if the increase had not been made.

(2) (a) Every person filing an application for exemption under the homestead exemption provision must be sixty-five (65) years of age or older during the year for which application is made.

(b) Every person filing an application for exemption under the homestead exemption provision must own and maintain the property for which the exemption is sought as his personal residence.

(c) Only one (1) exemption per residential unit shall be allowed regardless of the number of residents sixty-five (65) years of age or older occupying said unit, but the $6,500 exemption shall be construed to mean $6,500 in terms of the purchasing power of the dollar in 1972. Every two (2) years thereafter, if the cost of living index of the United States department of labor has changed as much as one (1) per cent, the maximum exemption shall be adjusted accordingly.

(d) The real property may be held by legal or equitable title, by the entireties, jointly, in common, as a condominium, or indirectly by the stock ownership or membership representing the owner's or member's proprietary interest in a corporation owning a fee or a leasehold initially in excess of ninety-eight (98) years. The exemption shall apply only to the value of the real property assessable to the owner or, in case of ownership through stock or membership in a corporation, the value of the proportion which his interest in the corporation bears to the assessed value of the property.

(e) A mobile home may qualify as a residential unit for purposes of the homestead exemption provision provided the mobile home is classified as real property as defined in KRS 132.750.

(f) When title to property which is exempted, either in whole or in part, under the homestead exemption is transferred, the owner, administrator, executor, trustee, *guardian, conservator* [committee], curator or agent shall report such transfer to the property valuation administrator.

(3) Notwithstanding any statutory provisions to the contrary, the provisions of this section shall apply to the assessment and taxation of property under the homestead exemption provision for state, county, city or special district purposes.

(4) The provisions of this section shall become effective with the 1976 taxable year and persons eligible for a homestead exemption under this section shall file applications:

(a) Any time during the 1976 taxable year.

(b) By March 1 in any year after the 1976 taxable year.

Section 66. KRS 140.080 is amended to read as follows:

(1) The following exemptions chargeable against the lowest bracket or brackets of inheritable interests shall be free from any tax under the preceding provisions of this chapter:

(a) Surviving spouse, $50,000;

(b) 1. Infant child by blood or adoption, $20,000;

2. Child by blood who has been declared *mentally disabled* [incompetent] by a court of competent jurisdiction, $20,000; or a

3. Child adopted during infancy who has been declared *mentally disabled* [incompetent] by a court of competent jurisdiction, $20,000;

(c) 1. Parent, $5,000;

2. Child by blood, $5,000;

3. Stepchild, $5,000;

4. Child adopted during infancy, $5,000; or a

5. Grandchild who is the issue of a child by blood, or of a stepchild or of a child adopted during infancy, $5,000;

(d) All persons of Class B, under KRS 140.070, $1,000; and

(e) All persons of Class C, under KRS 140.070, $500.

(2) If the decedent was not a resident of this state, the exemption shall be the same proportion of the allowable exemption in the case of residents that the property taxable by this state bears to the whole property transferred by the decedent.

Section 67. KRS 141.300 is amended to read as follows:

(1) Every individual shall, at the time prescribed in subsection (3), make a declaration of his estimated tax for the taxable year if his gross income from sources other than wages upon which Kentucky income tax will be withheld can reasonably be expected to exceed two thousand dollars ($2,000) for the taxable year and his gross income or adjusted gross income can reasonably be expected to be an amount not less than the amount for which a return is required under KRS 141.180.

(2) In the declaration required under subsection (1) the individual shall state:

(a) The amount which he estimates as the amount of tax under KRS 141.020 for the taxable year;

(b) The amount which he estimates as the credits for the taxable year under KRS 141.310 and 141.315;

(c) The excess of the amount estimated under paragraph (a) over the amount estimated under paragraph (b), which excess for purposes of this chapter shall be considered the estimated tax for the taxable year;

(d) Such other information as may be prescribed in regulations promulgated by the department;

(e) Notwithstanding the above provisions, no declaration is required if the estimated tax can reasonably be expected to be less than forty dollars ($40).

(3) The declaration required under subsection (1) shall be filed with the department on or before April 15 of the taxable year, except that if the requirements of subsection (1) are first met:

(a) After April 1 and before June 2 of the taxable year, the declaration shall be filed on or before June 15 of the taxable year; or

(b) After June 1 and before September 2 of the taxable year, the declaration shall be filed on or before September 15 of the taxable year; or

(c) After September 1 of the taxable year, the declaration shall be filed on or before January 15 of the succeeding taxable year.

(4) An individual may make amendments of a declaration filed during the taxable year under subsection (3), under regulations prescribed by the department.

(5) If on or before January 31 of the succeeding taxable year the taxpayer files a return for the taxable year for which the declaration is required and pays in full the amount computed on the return as payable then, under regulations prescribed by the department:

(a) If the declaration is not required to be filed during the taxable year, but is required to be filed on or before such January 15, such return shall, for the purposes of this section, be considered as such declaration; and

(b) If the tax shown on the return, reduced by the credits under KRS 141.350, is greater than the estimated tax shown in a declaration previously made or, in the last amendment thereof, such return shall, for the purposes of this section, be considered as the amendment of the declaration permitted by subsection (4) to be filed on or before such January 15.

(6) The department shall promulgate regulations governing reasonable extensions of time for filing declarations and paying the estimated tax. Except in the case of taxpayers who are abroad, no such extension shall be for more than six (6) months.

(7) If the taxpayer is unable to make his own declaration, the declaration shall be made by a duly authorized agent or by the guardian, *conservator* or other person charged with the care of the person or property of such taxpayer.

(8) For the purposes of KRS 131.190, a declaration of estimated tax shall be held and considered a return of income under this chapter.

Section 68. KRS 184.170 is amended to read as follows:

If any property against which an assessment has been levied is owned by an infant, by a person *adjudged disabled* [of unsound mind] or a life tenant, the agreement herein provided for may be executed by the statutory guardian of such infant or the *guardian, conservator* [committee] or curator of such *mentally disabled* [insane] person, with the same effect as if executed by a person free from disability, or by the life tenant, whose agreement shall be binding upon the owner of the fee.

Section 69. KRS 190.047 is amended to read as follows:

(1) Unless a franchise specifically states to the contrary, no franchise or any interest therein may be sold, transferred, or assigned without the approval of the manufacturer or distributor.

(2) A dealer desiring to sell, transfer or assign all or any portion of his franchise shall submit a written proposal of such sale, transfer or assignment to the manufacturer or distributor, and approval of such proposal shall not be arbitrarily or unreasonably withheld.

(3) The refusal of the manufacturer or the distributor to approve a proposed sale, transfer or assignment shall be subject to review by the bureau, provided a written application for review is filed with the bureau, with notice to the manufacturer or distributor, within thirty days of the date of such refusal and such refusal shall not be final until the bureau, after a hearing has been held in accordance with the provisions of KRS 190.057, has determined that the approval was not arbitrarily or unreasonably withheld. The bureau shall make such determination within ninety days after the application for review has been filed with the bureau.

(4) The burden of proof shall be on the dealer to show that the approval of the sale, transfer or assignment of any interest in the franchise was arbitrarily or unreasonably withheld. Factors to be considered in determining whether the manufacturer or distributor acted arbitrarily or unreasonably shall include whether the basic financial and facility requirements of the franchise will be met by the proposed transfer,

sale or assignment and that the proposed purchaser, transferee or assignee is capable of operating, managing and supervising the operation of the business in question.

(5) Failure of the manufacturer or distributor to abide by the final order of the department or to continue the franchise in effect pending the final determination of the issue by the bureau shall be cause for the bureau to refuse to issue a subsequent license in the same county or franchise area to an applicant who will be selling the same motor vehicles as the former dealer for the same manufacturer or distributor.

(6) Notwithstanding the provisions of KRS 190.010(2)(a), the provisions of this section shall apply to the personal representative, executor or administrator of the estate of an individual who had an interest in a franchise, or to the *guardian or conservator* [committee] of an individual who has been declared *mentally disabled* [incompetent] and who has such an interest for one year following appointment.

Section 70. KRS 199.500 is amended to read as follows:

(1) No adoption shall be granted without the sworn consent of the living parent or parents of a legitimate child or the mother of the child born out of wedlock, or the father of the child born out of wedlock if paternity is established in a legal action or if an affidavit is filed stating that the affiant is the father of the child, except that such consent of the living parent or parents shall not be required if:

(a) Such parent or parents have been adjudged *mentally disabled* [incompetent] and such judgment shall have been in effect for not less than one (1) year prior to the filing of the petition for adoption;

(b) The parental rights of such parents have been terminated under KRS 199.600 to 199.630; or

(c) The living parents are divorced and the parental rights of one (1) parent have been terminated under KRS 199.600 and consent has been given by the parent having custody and control of the child.

(2) A minor parent who is a party defendant may consent to an adoption but a guardian ad litem for such parent shall be appointed.

(3) In the case of a child twelve (12) years of age or older, the consent of the child shall be given in court, provided that the court in its discretion may waive this requirement.

(4) Notwithstanding the provisions of subsection (1) of this section, an adoption may be granted without the consent of the natural living parents of a child if it is pleaded and proved as a part of the adoption proceedings that any of the provisions of subsections (1) or (2) of KRS 199.600 exist with respect to such child.

(5) In no case shall an adoption be granted or a consent for adoption be held valid if such consent for adoption is given prior to the fifth day after the birth of the child.

Section 71. KRS 202A.170 is amended to read as follows:

(1) The chief medical officer of the hospital shall provide reasonable means and arrangements for informing voluntary and involuntary patients of their rights as provided in this chapter.

(2) Voluntary patients shall be informed of their rights to release under this chapter and arrangements shall be made for assisting voluntary patients in making and presenting requests for release.

(3) Any individual who has been involuntarily hospitalized under the provisions of this chapter or KRS Chapter 203 or 210 shall be entitled to a writ of habeas corpus upon proper petition by himself or a friend to any court generally empowered to issue the writ of habeas corpus in the county in which he is detained.

(4) Subject to the general rules and regulations of the hospital any patient voluntarily or involuntarily hospitalized under any section of this chapter or KRS Chapter 203 or 210 may exercise all civil rights including but not limited to the right to dispose of property, execute instruments, make purchases, enter into contractual relationships and vote unless he has been adjudicated *mentally disabled* [incompetent] and has not been restored to legal capacity. Each patient has the right to communicate by sealed mail. Each patient, notwithstanding any limitations authorized under this section on the right of communication, shall have the right to communicate by sealed mail with his attorney, the court, and the office of the secretary at the expense of the department.

Section 72. KRS 209.070 is amended to read as follows:

No adult may be adjudicated *mentally disabled* [incompetent] or committed to a mental institution under this chapter.

Section 73. KRS 210.270 is amended to read as follows:

(1) The secretary for human resources is authorized to designate such private homes, private nursing homes and private institutions as he shall deem, after a thorough investigation of the personal and financial qualifications of the owners and tenants, the facilities and management, and the desirability of the location of such homes, to be suitable for the placement of patients, including the mentally ill and mentally handicapped and retarded of all ages, outside of the state mental hospitals. The secretary for human resources is authorized to prescribe, from time to time by regulation, standards for the selection and operation of private homes, private nursing homes and private institutions designated for the placement of patients. No home of an officer or employe of the department for human resources or of a member of his immediate family shall be designated for the placement of patients.

(2) Whenever the staff of a state mental hospital has determined that a patient who is not being held on an order rising out of a criminal offense has sufficiently improved and is not dangerous to himself

or other persons, and that it would be in the patient's best interest to be placed outside of the hospital in a private home or private nursing home, the hospital shall so certify to the secretary for human resources, who may then authorize the patient to be transferred to a designated private home or private nursing home for care and custody for such length of time as the secretary deems advisable.

(3) No mentally retarded patient lodged in a state institution may have his level of care reclassified nor may he be transferred to a private nursing home or other private institution without first providing ten (10) days notice by registered or certified mail return receipt requested to the patient's parents or guardian or *conservator* [committee] that a reclassification of the patient's level of care or a transfer in the place of residence is being considered.

(4) Any parent or guardian or *conservator* [committee] of any mentally retarded patient lodged in a state institution may participate in any evaluation procedure which may result in a reclassification of such patient's level of care or in a transfer in the place of residence of such patient. Such participation may include the submission by the parents or guardian or *conservator* [committee] of medical evidence or any other evidence deemed relevant by the parents or guardian or *conservator* [committee] to the possible reclassification or transfer of such patient.

(5) If the decision to reclassify or transfer any mentally retarded patient is adverse to the best interests of such patient as expressed by the parents or guardian or *conservator* [committee], they shall be given notice by registered or certified mail return receipt requested that they are entitled to a thirty (30) day period from the receipt of such notice to file with the secretary for human resources a notice of appeal and application for a hearing.

(6) The appeal shall be heard by a three (3) member panel composed of a designated representative of the department for human resources, a designated representative of the state institution where the mentally retarded patient is presently lodged, and a designated neutral representative appointed by the county judge/executive wherein the institution in question is located.

(7) Decisions made by the panel may be appealed, within thirty (30) days from the date of decision, to the circuit court of the county wherein the state institution in question is located, to the circuit court of the county wherein either of the parents or guardians or committee of the patient in question is domiciled at the time of the decision, or to Franklin Circuit Court.

(8) All parents or guardians or committee of a mentally retarded patient lodged in a state institution shall be fully apprised by the department for human resources of their rights and duties under the provisions of subsections (3), (4), (5), (6), and (7) of this section.

(9) The provisions of KRS 210.275, 203.080, 210.310, and 210.320 shall apply to patients transferred to designated private homes and private nursing homes as though such patients were residing in a state mental hospital.

Section 74. KRS 210.290 is amended to read as follows:

(1) The department for human resources may be appointed and act as executor, administrator, guardian, *limited guardian, conservator or limited conservator* [committee, or special committee] as provided in this section. In this capacity the department may transact business in the same manner as any individual and for this purpose may sue and be sued in any of the courts of the state. Bond shall not be required of the department.

(2) *Whenever a resident of the state is determined to be mentally partially disabled or disabled and no other suitable person or entity is available and willing to act as limited guardian,guardian, limited conservator, or conservator, the department, acting through its designated officer, may apply to the district court of the county in which the determination is made for appointment as limited guardian, guardian, limited conservator, or conservator for such mentally disabled or partially disabled person* [Whenever a person who has been adjudged incompetent and committed to the department for placement in a state mental hospital or institution for the mentally defective, or any non-institutionalized person who has been adjudged incompetent, has no committee, the department, acting through its designated officer, may apply to the district court of the county in which the adjudication was made for its appointment as committee for such incompetent person].

(3) Upon the death of a person for whom the department has been appointed committee, or upon the death of a person who has been committed to the department leaving an estate and having no relatives at the time residing within the state, the department may apply for appointment as administrator and upon appointment shall close the administration of the estate.

(4) The department may invest funds held as fiduciary in bonds or other securities guaranteed by the United States, and may sell or exchange such securities in its discretion.

(5) The department shall receive such fees for its fiduciary services as provided by law. These fees shall be placed in a trust and agency account, from which may be drawn expenses for filing fees, court costs and other expenses incurred in the administration of estates. Claims of the department against the estates shall be considered in the same manner as any other claim.

(6) An officer designated by the secretary may act as legal counsel for any patient in a state mental hospital or institution against whom a suit of any nature has been filed, without being appointed as *guardian, limited guardian, conservator or limited conservator* [committee].

(7) Patients hospitalized pursuant to KRS Chapters 202A and 202B who are not adjudged mentally *disabled or partially disabled* [incompetent] may authorize the department for human resources to handle personal funds received by them at the hospital in the same manner as prescribed in subsections (4) and (5) of this section.

Section 75. KRS 210.405 is amended to read as follows:

(1) Any regional community mental health-mental retardation board established pursuant to KRS 210.380 and recognized by the secretary for human resources may be appointed and act as executor, administrator, guardian, *limited guardian, conservator or limited conservator* [or committee], as provided in this section. In this capacity, the board may transact business in the same manner as any individual and for this purpose may sue and be sued in any of the courts of the state. Bond shall not be required of the board.

(2) Whenever a person who has been adjudged *mentally disabled* [incompetent] and requires mental health services has no *guardian or conservator* [committee], the board, acting through its designated officer, may apply to the district court of the county in which the adjudication was made for its appointment as *guardian or conservator* [committee] for such *mentally disabled* [incompetent] person. The board may also apply to be substituted as *guardian or conservator* [committee] for *a mentally disabled person* [an incompetent] whose *guardian or conservator* [committee] is the department for human resources and who has been discharged or whose discharge is imminent from a department for human resources facility.

(3) Upon the death of a person for whom the board has been appointed *guardian or conservator* [committee] leaving an estate and having no relatives at the time residing within the state, the board may apply for appointment as administrator and upon appointment shall close the administration of the estate.

(4) The board may invest funds held as fiduciary in bonds or other securities guaranteed by the United States, and may sell or exchange such securities in its discretion.

(5) The board shall receive such fees for its fiduciary services as provided by law. These fees shall be placed in a trust and agency account, from which may be drawn expenses for filing fees, court costs and other expenses incurred in the administration of estates. Claims of the board against the estates shall be considered in the same manner as any other claim.

Section 76. KRS 211.900 is amended to read as follows:

As used in KRS 211.900 to 211.905 and 211.994, unless the context otherwise requires:

(1) "Department" shall mean the department for human resources;

(2) "Secretary" shall mean the secretary for human resources or his authorized representative;

(3) "Lead based substance" shall mean any substance containing more than 0.06% lead by weight of nonvolatile content as provided in KRS 217.801;

(4) "Dwelling" shall mean any structure, all or a part of which is designed for human habitation;

(5) "Dwelling unit" shall mean any room or group of rooms or other interior areas of a dwelling designed or used for human habitation;

(6) "Owner" shall mean any person who, alone, jointly, or severally with others, has legal title to, charge, care, or control of any dwelling or dwelling unit as owner, agent of the owner, or as executor, administrator, trustee, *conservator* or guardian of the estate of the owner;

(7) "At risk persons" shall mean those persons who reside in dwellings or dwelling units which were constructed and originally painted prior to 1945 or other dwellings in geographic areas in which a high content of lead in paint was used and a high incidence of lead poisoning may be reasonably expected or has been reported; and

(8) "Outreach programs" shall mean those efforts to locate, screen, and diagnose for elevated lead blood levels, those at risk persons who are not utilizing existing screening and diagnostic programs or those programs which may be established after June 21, 1974.

Section 77. KRS 212.345 is amended to read as follows:

Before any person in the commonwealth may have a nontherapeutic sterilization performed upon himself, he shall give written informed consent to the performance of the sterilization. To be valid such consent document shall be endorsed by the following persons in the following instances:

(1) By the consenting individual in all cases;

(2) By the adult parent or guardian of the consenting individual if such be a minor child and unmarried;

(3) By the *guardian* [committee] of the consenting individual if such be an *mentally disabled* [incompetent] person.

Section 78. KRS 216.515 is amended to read as follows:

Every resident in a long-term care facility shall have at least the following rights:

(1) Before admission to a long-term care facility, the resident and his responsible family member or his guardian [or his committee] shall be fully informed in writing as evidenced by the resident's written

acknowledgment and that of his responsible family member or his guardian [or his committee] of all services available at the long-term care facility. Every long-term care facility shall keep the original document of each written acknowledgment in the resident's personal file.

(2) Before admission to a long-term care facility, the resident and his responsible family member or his guardian [or his committee] shall be fully informed in writing, as evidenced by the resident's written acknowledgment and that of his responsible family member or his guardian [or his committee] of all resident's responsibilities and rights as defined in KRS 216.515 to 216.530. Every long-term care facility shall keep the original document of each written acknowledgment in the resident's personal file.

(3) The resident and his responsible family member or his guardian [or his committee] shall be fully informed in writing, as evidenced by the resident's written acknowledgment and that of his responsible family member, or his guardian [or his committee] prior to or at the time of admission and quarterly during the resident's stay at the facility of all service charges for which the resident and his responsible family member or his guardian [or his committee] are responsible for paying. The resident and his responsible family member or his guardian [or his committee] shall have the right to file complaints concerning charges which they deem unjustified to appropriate local and state consumer protection agencies. Every long-term care facility shall keep the original document of each written acknowledgment in the resident's personal file.

(4) The resident shall be transferred or discharged only for medical reasons, or his own welfare, or that of the other residents, or for nonpayment, except where prohibited by law or regulation. Reasonable notice of such action shall be given to the resident and his responsible family member or his guardian [or his committee].

(5) All residents shall be encouraged and assisted throughout their periods of stay in long-term care facilities to exercise their rights as a resident and a citizen, and to this end may voice grievances and recommend changes in policies and services to facility staff and to outside representatives of their choice, free from restraint, interference, coercion, discrimination or reprisal.

(6) All residents shall be free from mental and physical abuse, and free from chemical and physical restraints except in emergencies or except as thoroughly justified in writing by a physician for a specified and limited period of time and documented in the resident's medical record.

(7) All residents shall have confidential treatment of their medical and personal records. Each resident and his responsible family member or his guardian [or his committee] shall approve or refuse the release of such records to any individuals outside the facility, except as otherwise specified by statute or regulation.

(8) Each resident may manage the use of his personal funds. If the facility accepts the responsibility for managing the resident's personal funds as evidenced by the facility's written acknowledgment, proper accounting and monitoring of such funds shall be made. This shall include each facility giving quarterly itemized statements to the resident and his responsible family member or his guardian [or his committee] which detail the status of the resident's personal funds and any transactions in which such funds have been received or disbursed. The facility shall return to the resident his valuables, personal possessions and any unused balance of monies from his account at the time of his transfer or discharge from the facility. In case of death or for valid reasons when he is transferred or discharged the resident's valuables, personal possessions and funds that the facility is not liable for shall be promptly returned to the resident's responsible family member, or his guardian, [or his committee,] or his executor.

(9) If a resident is married, privacy shall be assured for spouse's visits and if they are both residents in the facility, they may share the same room unless they are in different levels of care or unless medically contraindicated and documented by a physician in the resident's medical record.

(10) Residents shall not be required to perform services for the facility that are not included for therapeutic purposes in their plan of care.

(11) Residents may associate and communicate privately with persons of their choice and send and receive personal mail unopened.

(12) Residents may retain the use of their personal clothing unless it would infringe upon the rights of others.

(13) No responsible resident shall be detained against his will. Residents shall be permitted and encouraged to go outdoors and leave the premises as they wish unless a legitimate reason can be shown and documented for refusing such activity.

(14) Residents shall be permitted to participate in activities of social, religious, and community groups at their discretion.

(15) Residents shall be assured of at least visual privacy in multi-bed rooms and in tub, shower, and toilet rooms.

(16) The resident and his responsible family member or his guardian [or his committee] shall be permitted the choice of a physician.

(17) If the resident is adjudicated *mentally disabled* [incompetent] in accordance with state law, the resident's guardian [or committee] shall act on the resident's behalf in order that his rights be implemented.

(18) Each resident shall be treated with consideration, respect, and full recognition of his dignity and individuality, including privacy in treatment and in care for his personal needs.

(19) Every resident and his responsible family member or his guardian [or his committee] has the right to be fully informed of the resident's medical condition unless medically contraindicated and documented by a physician in the resident's medical record.

(20) Residents have the right to be suitably dressed at all times and given assistance when needed in maintaining body hygiene and good grooming.

(21) Residents shall have access to a telephone at a convenient location within the facility for making and receiving telephone calls.

(22) The resident's responsible family member or his guardian [or his committee] shall be notified immediately of any accident, sudden illness, disease, unexplained absence, or anything unusual involving the resident.

(23) Residents have the right to have private meetings with the appropriate long-term care facility inspectors from the department for human resources.

(24) Each resident and his responsible family member or his guardian [or his committee] has the right to have access to all inspection reports on the facility.

(25) The above-stated rights shall apply in all cases unless medically contraindicated and documented by a physician in writing in the resident's medical record.

Section 79. KRS 216.520 is amended to read as follows:

For the purpose of supplementing the rights of residents in long-term care facilities, such facilities shall take the following actions:

(1) Every long-term care facility shall conspicuously post throughout the facility a listing of the resident's rights and responsibilities as defined in KRS 216.515 to 216.525.

(2) Every long-term care facility shall develop and implement a mechanism which will allow each resident and his responsible family member or his guardian [or his committee] to participate in the planning of the resident's care. Each resident shall be encouraged and provided assistance in the planning of his care.

(3) All long-term care facilities shall establish written procedures for the submission and resolution of complaints and recommendations by the resident and his responsible family member or his guardian [or his committee]. Such policies shall be conspicuously displayed throughout the facility pending approval of their adequacy by the department.

(4) Every long-term care facility shall prepare a written plan and provide appropriate staff training to implement each of the resident's rights as defined in KRS 216.515 to 216.525.

(5) All long-term care facilities shall maintain in their facilities one copy of the most recent inspection report as prepared by the department for human resources. The department shall provide all long-term care facilities with one copy of the most recent inspection report.

Section 80. KRS 216.525 is amended to read as follows:

For the purpose of supplementing, monitoring and enforcing the rights of residents in long-term care facilities, the department shall take the following actions:

(1) The department shall design and distribute posters to all long-term care facilities which clearly detail how the resident and his responsible family member or his guardian [or his committee] or a visitor may make a written or oral complaint, anonymously if they so choose, to the department in regard to the quality of care given by a particular facility. These posters shall be conspicuously displayed throughout each long-term care facility.

(2) The department shall take appropriate and necessary actions to insure that all of the rights of residents in long-term care facilities as defined by KRS 216.515 to 216.525 are upheld.

Section 81. KRS 243.640 is amended to read as follows:

(1) If a corporation or partnership that holds a license under KRS 243.020 to 243.670 is dissolved, or if a receiver, assignee for the benefit of creditors or a *guardian or conservator* [committee] for the property of a licensee under those sections is appointed during the time for which a license was granted, or if a licensee under those sections dies during the time for which the license was issued and a personal representative is appointed for his estate, that corporation, partnership, receiver or assignee, or the deceased or individual adjudged to be *mentally disabled* [incompetent], may be permitted to continue the business upon the licensed premises for the balance of the term for which the license was effective, with the same rights and subject to the same restrictions and liabilities as if he had been the original licensee.

(2) Before continuing the business the receiver, assignee, personal representative or committee shall file a statement setting forth in such form as the board prescribes the facts and circumstances by which he has succeeded to the rights of the original licensee. The state administrator of the unit that issued the original license may, in the exercise of his sound discretion, permit or refuse to permit the continuance of the business.

(3) If the administrator permits the continuance of the business the license shall be submitted to him, and he shall write or stamp across the face of the license the words: ".... is permitted to exercise the rights and privileges of the original licensee as (assignee, receiver, personal representative or committee, as the case may be) of the original licensee for the unexpired term of this license." The indorsement on the face of the license shall be dated and signed by the person making it.

(4) The applicant shall pay a fee of five dollars ($5.00) for the indorsement.

Section 82. KRS 258.065 is amended to read as follows:

Every physician shall, within twelve (12) hours after his first professional attendance of a person bitten by a dog, cat or other animal report to the local health department the name, age, sex, color, and precise location of the person so bitten. If a child is bitten and no physician attends, the report shall be made by his parents, [or] guardian *or conservator*. If an adult is bitten and no physician attends, he or the person caring for him shall make the report.

Section 83. KRS 262.010 is amended to read as follows:

(1) "Board" means the board of supervisors of a conservation district;

(2) "Commission" means the Conservation Commission;

(3) "District" means a Conservation District whenever used in KRS 262.010 through 262.660 or a Watershed Conservancy District whenever used in KRS 262.700 through 262.795;

(4) "Due notice" means notice published in accordance with the legal notice provisions of KRS Chapter 424.

(5) "Land occupier" or "occupier of land" includes any person other than the land owner who is in possession of any lands lying within the district, whether as lessee or otherwise;

(6) "Land owner" or "owner of land" includes any person who holds legal or equitable title to the land within the district determined as follows:

(a) By his, her, or their names appearing on the recorded deed to the land;

(b) By title derived through a probated will or by the laws of descent and distribution under KRS Chapter 391;

(c) Where a minor or *person adjudged mentally disabled* [legally incompetent person] is the owner of land within the district, the guardian *or conservator* or whoever has the power of attorney shall have the right to vote for such land owner under the provisions of KRS Chapter 262;

(d) Where the will has not been probated by the date of the referendum or election as provided in KRS Chapter 262, the executor of the deceased land owner shall have the right to vote for the devisee or devisees;

(e) Where the land within the districts is held in trust, the trustee shall have the right to vote for the land owner under the provisions of KRS Chapter 262;

(f) A land owner shall be entitled to but one vote whenever he is given the right to vote under KRS Chapter 262 regardless of the number of tracts or parcels of land which he owns either wholly or in part, within the district;

(g) Where a trustee, executor, guardian, *conservator* or other person with authority to vote for a land owner exercises such duty in relation to two or more estates or tracts of land, within a district, such person shall have the right to vote separately for each such land owner which he represents within the district;

(h) In the case of a dispute as to whether or not a person has the right to vote in an election or referendum under the provisions of KRS Chapter 262, the person seeking such right must provide to the satisfaction of the polling superintendent that he has the right to vote under this section.

(7) "Supervisor" means one of the members of the governing body of a Conservation District.

Section 84. KRS 266.040 is amended to read as follows:

The commissioners shall:

(1) Proceed at the time set in the order, with a surveyor who is a civil engineer, to view out and make an accurate survey of the line of the proposed levee from its starting point to its terminus, marking and platting its route by courses and distances, and ascertain the amount of land required to erect the levee at the various points along its line, not exceeding one thousand (1,000) feet in width at any point.

(2) Ascertain the names and residences of the owners and tenants of the land, and those who are infants, or [incompetent] persons *adjudged mentally disabled.*

(3) Assess a just compensation to each owner and tenant for the land required and sought to be appropriated for the establishment of the levee, and the damages to the residue of the tracts beyond the consequential benefits which will be derived to such residue from the levee. If a person has only an estate for life or years in the land and the remainder in fee belongs to another, the commissioners shall apportion the damages between them.

(4) Make a signed written report to the court, setting forth the information obtained under subsections (1), (2) and (3) of this section, with a map or diagram of the proposed route of the levee, and stating whether or not the proposed levee will be conducive to the public health, convenience or welfare, or whether it will be of public benefit or utility. If the commissioners find that the proposed levee is not of public benefit or utility, their report need only state that finding.

Section 85. KRS 268.070 is amended to read as follows:

(1) The viewers shall examine the property in the territory described in the petition, and any other property that may be affected by the establishment of the district or that may be necessary to locate any of the work that in their judgment may become necessary. They may make any survey necessary to determine the boundaries and elevations of parts of the district, and the course of all drains and levees therein.

(2) They shall file with the clerk of the court in which the proceedings are pending, within thirty (30) days from the date of their qualification unless the time is extended by order of the court, a written report and two (2) copies thereof, covering the following matters:

(a) Whether the proposed improvement will result in public benefit or utility, or whether the public health, convenience or welfare will be promoted.

(b) Whether the proposed improvement will benefit the cities or property sought to be benefited.

(c) Whether all of the property that will be benefited is included in the proposed district, as described in the petition.

(3) If the viewers find that any of the property described in the petition will not be benefited, they shall specifically describe that property, giving the name of the owner if known, so that the court may know definitely what property will not be benefited. If the viewers find any property not included in the petition that will be benefited or affected by the proposed improvement they shall so report, giving the name of the owner, and the description of the property. If any city will, in their opinion, be affected they shall so state in their report.

(4) Their report shall describe with accuracy the property which shall, in their opinion, be embraced in the proposed district by giving a boundary description thereof by metes and bounds, courses and distances. This report shall be accompanied by a map, showing in the same way the property proposed by them to be embraced in the district. They shall also state the names of all persons and cities owning property in the proposed district, giving the post office address of each person if known, if not, the last known post office address, or if this fact cannot be ascertained they shall so state. They shall also state the approximate quantity of property each owns.

(5) They shall state in their report whether the owner of any property that will be affected by the establishment of the district is an infant or whether he is under any other disability except coverture, and if an infant, whether he is under or over the age of fourteen (14) years. They shall also state the name of the guardian, curator or *conservator* [committee] of each such person, the place where both the person and his guardian, curator or *conservator* [committee] resides, and whether either of his parents are living, and who has custody.

(6) They shall recommend in their report whether or not the proposed district should be established. The report shall be signed and sworn to by at least two (2) of the viewers. Each of the three (3) copies of the report shall be received and kept by the clerk of the court in which the proceeding is pending. This report may be amended by viewers any time before final hearing.

Section 86. KRS 271A.165 is amended to read as follows:

(1) Each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders, except as may be otherwise provided in the articles of incorporation. If the articles of incorporation provide for more or less than one vote for any share, on any matter, every reference in this chapter to a majority or other proportion of shares shall refer to such a majority or other proportion of votes entitled to be cast.

(2) Neither treasury shares, nor shares held by another corporation if a majority of the shares entitled to vote for the election of directors of such other corporation is held by the corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time.

(3) A shareholder may vote either in person or by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy, but in no event shall a proxy, unless coupled with an interest, be voted on after three years from the date of its execution. The revocation of a proxy shall not be effective until the secretary of the corporation has received written notice of the revocation.

(4) At each election for directors each shareholder entitled to vote at such election shall have the right to cast, in person or by proxy, as many votes in the aggregate as he shall be entitled to vote under the corporation's articles of incorporation, multiplied by the number of directors to be elected at such election; and each shareholder may cast the whole number of votes for one candidate, or distribute such votes among two or more candidates. Such directors shall not be elected in any other manner.

(5) Shares standing in the name of another corporation, domestic or foreign, may be voted by either the president of such corporation or by proxy appointed by him unless some other person produces a certified copy of a resolution of the board of directors of such other corporation authorizing such other person to vote such shares.

(6) Shares held by an administrator, executor, guardian, *or* conservator [or committee] may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name.

(7) Where shares are held jointly by three or more fiduciaries acting under an instrument becoming effective after June 30, 1946, the will of the majority of such fiduciaries shall control the manner of voting or the giving of a proxy unless the instrument or order appointing the fiduciaries otherwise directs. Where,

in any case, fiduciaries are equally divided upon the manner of voting shares jointly held by them, any court of competent jurisdiction may, upon petition filed by any of the fiduciaries, or by any beneficiary, appoint an additional person to act with the fiduciaries in determining the manner in which the shares shall be voted upon the particular questions as to which the fiduciaries are divided.

(8) Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

(9) A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

(10) On and after the date on which written notice of redemption of redeemable shares has been mailed to the holders thereof and a sum sufficient to redeem such shares has been deposited with a bank or trust company with irrevocable instruction and authority to pay the redemption price to the holders thereof upon surrender of certificates therefor, such shares shall not be entitled to vote on any matter and shall not be deemed to be outstanding shares.

Section 87. KRS 287.210 is amended to read as follows:

Any trust company organized under the laws of this state may:

(1) Be appointed and act as guardian of infants, executors, administrator or curator of estates of decedents, *guardian or conservators* [committee] of persons *adjudged mentally disabled* [of unsound mind], receiver or trustee for persons or estates;

(2) Act as agent for the transaction of any business or the management of estates, the collection of rents, accounts, interest, dividends, notes, bonds, securities for money and debts, and demands of every character;

(3) Receive on deposit and for safekeeping, gold, silver, jewelry, money and other personal property of every kind, and shall have a lien upon all personal property deposited with it for its charge.

Section 88. KRS 287.212 is amended to read as follows:

(1) Notwithstanding any other provision of law, any bank or trust company, when acting as a fiduciary or when holding securities as custodian for a fiduciary, is authorized to deposit, or arrange for the deposit, with the federal reserve bank in its district of any securities, the principal and interest of which the United States or any department, agency or instrumentality thereof has agreed to pay, or has guaranteed payment, to be credited to one or more accounts on the books of said federal reserve bank in the name of such bank or trust company, to be designated fiduciary or safekeeping accounts, to which account other similar securities may be credited. A bank or trust company so depositing securities with a federal reserve bank shall be subject to such rules and regulations with respect to the making and maintenance of such deposit as, in the case of a bank or trust company organized under the laws of this state, the commissioner of banking and securities, and, in the case of the national banking associations, the comptroller of the currency, may from time to time issue. The records of such bank or trust company shall at all times show the ownership of the securities held in such account. Ownership of, and other interests in, the securities credited to such account may be transferred by entries on the books of said federal reserve bank without physical delivery of any securities. A bank or trust company acting as custodian for a fiduciary shall, on demand by the fiduciary, certify in writing to the fiduciary the securities so deposited by such bank or trust company with such federal reserve bank for the account of such fiduciary. A fiduciary shall, on demand by any party, to its accounting or on demand by the attorney for such party, certify in writing to such party the securities deposited by such fiduciary with such federal reserve bank for its account as such fiduciary.

(2) This section shall apply to any fiduciary, and any custodian for fiduciaries, acting on June 21, 1974, or who thereafter may act regardless of the date of the agreement, instrument or court order by which it is appointed.

(3) As used in this section, "fiduciary" includes an executor, administrator, trustee under any trust, express, implied, resulting or constructive, guardian, conservator, [committee,] receiver, trustee in bankruptcy, assignee for the benefit of creditors, partner, agent, officer of a corporation, public or private, public officer or any other person acting in a fiduciary capacity for any person, trust or estate.

Section 89. KRS 287.225 is amended to read as follows:

(1) Any bank or trust company when acting as executor, administrator, guardian, *conservator* [committee], agent, or trustee, whether alone or jointly with an individual or individuals, may with the consent of the individual fiduciary or fiduciaries, if any (who are hereby authorized to give such consent), cause any stock or other securities held in any such capacity to be registered and held in the name of a nominee or nominees of such bank or trust company, or in its own name.

(2) Any such bank or trust company shall be absolutely liable for any loss occasioned by the acts of any nominees of such bank or trust company with respect to such stock or other securities so registered. But no liability for any loss occasioned by the acts of any such bank or trust company, or the nominee of either of them with respect to such stock or securities so registered, shall be imposed upon the corporation,

its transfer agent or registrar, which registers its stock or other securities in the name of such bank or trust company, or the nominee of either of them, in accordance with the provisions of this section.

(3) The records of such bank or trust company shall at all times show the ownership of any such stock or other securities. Such stock or other securities shall at all times be kept separate and apart from the assets of such bank or trust company.

Section 90. KRS 292.330 is amended to read as follows:

(1) It is unlawful for any person to transact business in this state as a broker-dealer or agent, unless he is registered under this chapter. It is unlawful for any broker-dealer or issuer to employ an agent unless the agent is registered. It is unlawful for any person to transact business in this state as an investment adviser unless:

(a) he is so registered under this chapter, or

(b) he is registered as a broker-dealer under this chapter, or

(c) his only clients in this state are investment companies as defined in the Investment Company Act of 1940 or insurance companies.

(2) A broker-dealer, agent, or investment adviser may apply for registration by filing with the director an application together with a consent to service of process pursuant to KRS 292.430 and payment of the fee prescribed in subsection (10). Registration of a broker-dealer automatically constitutes registration of any agent who is a partner, officer or director or a person occupying a similar status or performing similar functions (except any partner, officer or director or other such person whose registration as an agent is denied, suspended or revoked under subsection (12)) without the filing of applications for registration as agents or the payment of fees for registration as agents. The application shall contain whatever information the director requires concerning such matters as:

(a) The applicant's form and place of organization;

(b) The applicant's proposed method of doing business;

(c) The qualifications and business history of the applicant and in the case of a broker-dealer or investment adviser, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser; and in the case of an investment adviser, the qualifications and business history of an employe;

(d) Any injunction or administrative order or conviction of a misdemeanor involving a security or any aspect of the securities business and any conviction of a felony; and

(e) The applicant's financial condition and history.

(3) If no denial order is in effect and no proceeding is pending under subsection (12), registration becomes effective at noon of the thirtieth day after an application is filed. The director may specify an earlier effective date and he may by order defer the effective date until noon of the thirtieth day after the filing of any amendment.

(4) The director may require as a condition of registration that the applicant (and, in the case of a corporation or partnership, the officers, directors or partners) pass a written examination as evidence of knowledge of the securities business.

(5) The director may by rule require the existence and maintenance of a minimum liquid net capital for registered broker-dealers and investment advisers and a minimum ratio between net capital and aggregate indebtedness, or both.

(6) The director may by rule require registered broker-dealers, agents and investment advisers to post surety bonds in an amount up to $25,000, and may determine their conditions, except under this subsection that no such bond may be required of any registrant whose net capital exceeds $100,000. An appropriate deposit of cash or securities shall be accepted in lieu of any required surety bond. Every surety bond shall provide for suit thereon by any person who has a cause of action under KRS 292.480, and every such bond shall provide that no suit may be maintained to enforce any liability on the bond unless brought within two (2) years after the sale or other act upon which it is based.

(7) The director may by rule require registered broker-dealers to carry fidelity bonds, covering its agents, general partners, and officers, in such form, covering such risks, and in such amounts (not exceeding $250,000) as he deems necessary for the protection of the public; and he may by rule require registered broker-dealers to furnish satisfactory evidence that they have such bonds.

(8) Every registration of a broker-dealer, agent or investment adviser shall be effective until March 1 of the following year and may be renewed as hereinafter provided. The registration of an agent is not effective during any period when he is not associated with an issuer or a registered broker-dealer specified in his application or a notice filed with the director. When an agent begins or terminates a connection with an issuer or registered broker-dealer, the agent and the issuer or broker-dealer shall promptly notify the director.

(9) Registration of a broker-dealer, agent or investment adviser may be renewed by filing with the director prior to the expiration thereof an application containing such information as the director may require to indicate any material change in the information contained in the original application or any renewal application for registration as a broker-dealer, agent or investment adviser filed with the director by the applicant,

payment of the prescribed fee and, in the case of a broker-dealer, a financial statement showing the financial condition of such broker-dealer as of a date within ninety (90) days. A registered broker-dealer or investment adviser may file an application for registration of a successor, whether or not the successor is then in existence, for the unexpired portion of the year without payment of any fee.

(10) The fee for initial or renewal registration shall be one hundred dollars ($100) for a broker-dealer, fifty dollars ($50.00) for an investment adviser, fifteen dollars ($15.00) for an agent, and five dollars ($5.00) for transfer of an agent, none of which fees shall be refundable.

(11) (a) Every registered broker-dealer and investment adviser shall make and keep all accounts, correspondence, memoranda, papers, books, and other records which the director by rule prescribes. All records required shall be preserved for three (3) years unless the director by rule prescribes otherwise for particular types of records. All required records shall be kept within this state or shall, at the request of the director, be made available at any time for examination by him either in the principal office of the registrant or by production of exact copies thereof in this state.

(b) Every registered broker-dealer and investment adviser shall file such reports as the director by rule prescribes.

(c) If the information contained in any document filed with the director is or becomes inaccurate or incomplete in any material respect, the broker-dealer shall promptly file a correcting amendment.

(d) The director may make periodic examinations, within or without this state, of each broker-dealer and investment adviser at such times and in such scope as he determines. These examinations may be made without prior notice to the broker-dealer or investment adviser. The expense reasonably attributable to any such examination shall be paid by the broker-dealer or investment adviser whose business is examined but the expense so payable shall not exceed an amount which the director by rule prescribes. For the purpose of avoiding unnecessary duplication of examinations, the director, insofar as he deems it practicable in administering this subsection, may cooperate with securities administrators of other states, the securities and exchange commission, and any national securities exchange or national securities association registered under the Securities Exchange Act of 1934.

(e) The director may by rule prohibit unreasonable charges, profits, commissions or other compensation of broker-dealers and investment advisers.

(f) The director may prescribe rules for the conduct of business by broker-dealers and investment advisers which he finds appropriate in the public interest and for the protection of investors.

(12) (a) The director may by order deny, suspend or revoke registration of any broker-dealer, agent or investment adviser if he finds that the order is in the public interest and that the applicant or registrant or, in the case of a broker-dealer, or investment adviser, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser:

1. Has filed an application for registration under this section which, as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained any statement which was, in the light of the circumstances under which it was made, false or misleading with respect to any material fact;

2. Has wilfully violated or wilfully failed to comply with any provision of this chapter or a predecessor law or any rule or order under this chapter or a predecessor law;

3. Has been convicted, within the past ten (10) years, of any misdemeanor involving a security or any aspect of the securities business, or any felony;

4. Is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the securities business;

5. Is the subject of an order of the director denying, suspending, or revoking registration as a broker-dealer, agent, or investment adviser;

6. Is the subject of an order entered within the past five (5) years by the securities administrator of any other state or by the securities and exchange commission denying or revoking registration as a broker-dealer or agent, or the substantial equivalent of those terms as defined in this chapter, or is the subject of an order of the securities and exchange commission suspending or expelling him from a national securities exchange or national securities association registered under the Securities Exchange Act of 1934, or is the subject of a United States post-office fraud order; but a. the director may not institute a revocation or suspension proceeding under this paragraph more than one (1) year from the date of the order relied on, and b. he may not enter any order under this paragraph on the basis of an order unless that order was based on facts which would currently constitute a ground for an order under this section;

7. Has engaged in dishonest or unethical practices in the securities business;

8. Is insolvent, either in the sense that his liabilities exceed his assets or in the sense that he cannot meet his obligations as they mature; but the director may not enter an order against a broker-dealer or investment adviser under this paragraph without a finding of insolvency as to the broker-dealer or investment adviser; or

9. Is not qualified on the basis of such factors as training, experience, or knowledge of the securities business, except as provided in paragraph (b) below; or the director may by order, deny, suspend or revoke any registration if he finds that the order is in the public interest and that the applicant or registrant:

a. Has failed reasonably to supervise his agents if he is a broker-dealer or his employes if he is an investment adviser; or

b. Has failed to pay the proper filing fee; but the director may enter only a denial order under this clause, and he shall vacate any such order when the deficiency has been corrected. The director may not institute a suspension or revocation proceeding on the basis of a fact or transaction known to him when registration became effective unless the proceeding is instituted within the next thirty (30) days.

(b) The following provisions govern the application of subparagraph 9 of paragraph (a) of this subsection:

1. The director may not enter an order against a broker-dealer on the basis of the lack of qualification of any person other than the broker-dealer himself if he is an individual or an agent of the broker-dealer;

2. The director may not enter an order against an investment adviser on the basis of the lack of qualification of any person other than the investment adviser himself if he is an individual or any other person who represents the investment adviser in doing any of the acts which make him an investment adviser;

3. The director may not enter an order solely on the basis of lack of experience if the applicant or registrant is qualified by training or knowledge or both;

4. The director shall consider that an agent who will work under the supervision of a registered broker-dealer need not have the same qualifications as a broker-dealer;

5. The director shall consider that an investment adviser is not necessarily qualified solely on the basis of experience as a broker-dealer or agent. When he finds that an applicant for initial or renewal registration as a broker-dealer is not qualified as an investment adviser, he may by order condition the applicant's registration as a broker-dealer upon his not transacting business in this state as an investment adviser;

6. The director may by rule provide for an examination, which may be written or oral or both, to be taken by any class of or all applicants, as well as persons who represent or will represent an investment adviser in doing any of the acts which make him an investment adviser.

(c) The director may by order summarily postpone or suspend registration pending final determination of any proceeding under this section. Upon the entry of the order, the director shall promptly notify the applicant or registrant, as well as the employer or prospective employer if the applicant or registrant is an agent, that it has been entered and of the reasons therefor and that within fifteen (15) days after the receipt of a written request the matter will be set down for hearing. If no hearing is requested and none is ordered by the director, the order will remain in effect until it is modified or vacated by the director. If a hearing is requested or ordered, the director, after notice of and opportunity for hearing, may modify or vacate the order or extend it until final determination.

(d) If the director finds that any registrant or applicant for registration is no longer in existence or has ceased to do business as a broker-dealer, agent, or investment adviser, or is subject to an adjudication of mental *disability* [incompetence] or to the control of a [committee] conservator, or guardian, or cannot be located after reasonable search, the director may by order cancel the registration or application.

(e) Withdrawal from registration as a broker-dealer, agent, or investment adviser becomes effective thirty (30) days after receipt of an application to withdraw or within such shorter period of time as the director may determine, unless a revocation or suspension proceeding is pending when the application is filed or a proceeding to revoke or suspend or to impose conditions upon the withdrawal is instituted within thirty (30) days after the application is filed. If a proceeding is pending or instituted, withdrawal becomes effective at such time and upon such conditions as the director by order determines. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the director may nevertheless institute a revocation or suspension proceeding under subparagraph 2. of paragraph (a) of this subsection within one (1) year after withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.

(f) No order may be entered under any part of this section except the first sentence of paragraph (c) of this subsection without appropriate prior notice to the applicant or registrant (as well as the employer or prospective employer if the applicant or registrant is an agent), opportunity for hearing, and written findings of fact and conclusions of law.

Section 91. KRS 304.18-090 is amended to read as follows:

(1) Except as provided in subsection (2) of this section, all benefits under any blanket health policy or contract shall be payable to the person insured, or to his designated beneficiary or beneficiaries, or to his estate, except that if the person insured is a minor or otherwise not competent to give a valid release, such benefits may be made payable to his parent, guardian, *conservator* or other person actually supporting him.

(2) The policy may provide that all or a portion of any indemnities provided by any such policy on account of hospital, nursing, medical or surgical services may, at the option of the insurer and unless the insured requests otherwise in writing not later than the time of filing proofs of such loss, be paid directly

to the hospital or person rendering such services; but the policy may not require that the service be rendered by a particular hospital or person. Payment so made shall discharge the obligation of the insurer with respect to the amount of insurance so paid.

Section 92. KRS 304.39-060 is amended to read as follows:

(1) Any person who registers, operates, maintains or uses a motor vehicle on the public roadways of this Commonwealth shall, as a condition of such registration, operation, maintenance or use of such motor vehicle and use of the public roadways, be deemed to have accepted the provisions of this subtitle, and in particular those provisions which are contained in this section.

(2) (a) Tort liability with respect to accidents occurring in this Commonwealth and arising from the ownership, maintenance, or use of a motor vehicle is "abolished" for damages because of bodily injury, sickness or disease to the extent the basic reparation benefits provided in this subtitle are payable therefor, or that would be payable but for any deductible authorized by this subtitle, under any insurance policy or other method of security complying with the requirements of this subtitle, except to the extent noneconomic detriment qualifies under subsection (2)(b) hereof.

(b) In any action of tort brought against the owner, registrant, operator or occupant of a motor vehicle with respect to which security has been provided as required in this subtitle, or against any person or organization legally responsible for his acts or omissions, a plaintiff may recover damages in tort for pain, suffering, mental anguish and inconvenience because of bodily injury, sickness or disease arising out of the ownership, maintenance, operation or use of such motor vehicle only in the event that the benefits which are payable for such injury as "medical expense" or which would be payable but for any exclusion or deductible authorized by this subtitle exceed one thousand dollars ($1,000), or the injury or disease consists in whole or in part of permanent disfigurement, a fracture to a weight-bearing bone, a compound, comminuted, displaced or compressed fracture, loss of a body member, permanent injury within reasonable medical probability, permanent loss of bodily function or death. Any person who is entitled to receive free medical and surgical benefits shall be deemed in compliance with the requirements of this subsection upon a showing that the medical treatment received has an equivalent value of at least one thousand dollars ($1,000).

(c) Tort liability is not so limited for injury to a person who is not an owner, operator, maintainer or user of a motor vehicle within subsection (1) of this section, nor for injury to the passenger of a motorcycle arising out of the maintenance or use of such motorcycle.

(3) For purposes of this section and the provisions on reparation obligor's rights of reimbursement, subrogation, and indemnity, a person does not intentionally cause harm merely because his act or failure to act is intentional or done with his realization that it creates a grave risk of harm.

(4) Any person may refuse to consent to the limitations of his tort rights and liabilities as contained in this section. Such rejection must be in writing in a form to be prescribed by the department of insurance and must have been executed and filed with the department at a time prior to any motor vehicle accident for which such rejection is to apply. Such rejection form together with a reasonable explanation thereof shall be furnished by the reparation obligor with each policy to each prospective insurance applicant. Such rejection form shall affirmatively state in bold print that acceptance of this form of insurance denies the applicant the right to sue a negligent motorist unless certain requirements contained in the policy of insurance are met. Rejection by a person who is under legal disability shall be made on behalf of such person by his legal guardian, *conservator* or his natural parent. The failure of such guardian or a natural parent of a person under legal disability to file a rejection, within six (6) months from the date that this subtitle would otherwise become applicable to such person, shall be deemed to be an affirmative acceptance of all provisions of this subtitle. Provided, however, any person who, at the time of an accident, who does not have basic reparation insurance but has not formally rejected such limitations of his tort rights and liabilities and has at such time in effect security equivalent to that required by KRS 304.39-110 shall be deemed to have fully rejected such limitations within meaning of this section for that accident only.

(5) Any rejection must be filed with the department of insurance and shall be for a period of five (5) years from the date of its execution unless revoked in writing. A copy of such rejection or revocation must be filed with each insurance company providing an automobile policy under which the individual is a named insured as defined in the policy.

(6) Every insurance company when issuing an automobile policy to a resident of this Commonwealth must inform the buyer in writing in a form to be prescribed by the insurance commissioner of his right to reject the limitations of his tort rights and liabilities under this subtitle in the manner provided in subsections (4) and (7) of this section.

(7) Any rejection shall result in the full retention by the individual of his tort rights and his tort liabilities. Any person injured by a motor vehicle operator who has such rejection on file may claim his full damages, including nonpecuniary damages, or, if such injured person has not rejected his own tort limitations, he may also claim basic reparation benefits from the appropriate security on the vehicle as established under KRS 304.39-050. If such provider of security is other than the one providing security for the operator who has rejected the limitations, such provider shall be subrogated to the rights of the injured person to the extent of reparation benefits paid against the owner and operator of the vehicle.

(8) No person who has rejected the tort limitations under this section, except as provided in subsection (9) of this section or KRS 304.39-140(5), may collect basic reparation benefits.

(9) Any owner or operator of a motorcycle, as defined in Kentucky Revised Statutes, may file a rejection as described in subsections (4) and (5), which will apply solely to the ownership and operation of a motorcycle but will not apply to injury resulting from the ownership, operation or use of any other type of motor vehicle.

Section 93. KRS 322.050 is amended to read as follows:

No person shall be eligible for a license unless he is of good character and reputation, nor shall any person be eligible if he has been convicted of any felony involving moral turpitude or is adjudged by a court of competent jurisdiction mentally *disabled* [incompetent].

Section 94. KRS 327.070 is amended to read as follows:

The board, after due notice and hearing may refuse to license any applicant, and may refuse to renew the license of any licensed person, and may suspend or revoke the license of any licensed person:

(1) Who indulges in excessive use of alcoholic beverages or who is addicted to the use of narcotic drugs;

(2) Who has been convicted of violating any state or federal narcotic law;

(3) Who is, in the judgment of the board, guilty of immoral or unprofessional conduct;

(4) Who has been convicted of a felony or any crime involving moral turpitude;

(5) Who has obtained or attempted to obtain a license by fraud or material misrepresentation or who has made any other false statement to the board.

(6) Who is guilty, in the judgment of the board, of gross negligence in his practice of physical therapy;

(7) Who has been declared mentally *disabled* [incompetent] by a court of competent jurisdiction and has not thereafter been declared lawfully sane;

(8) Who has treated or undertaken to treat human ailments otherwise than by physical therapy as defined in this chapter, or who has undertaken to practice independent of the prescription, direction or supervision of a licensed medical doctor or dentist.

(9) Who has failed or refused to obey any lawful order or regulation of the board.

Section 95. KRS 353.270 is amended to read as follows:

A *guardian or conservator* [committee] of a person of unsound mind may enter into a consolidation agreement, as defined in KRS 353.280, subject to approval by the circuit judge as provided in KRS 353.290. The detailed provisions of such agreement may be such as the court approves, consistently with the provisions of KRS 353.280.

Section 96. KRS 353.290 is amended to read as follows:

(1) Upon the execution of such a consolidation agreement, the *guardian or conservator* [committee] shall file with the clerk of the circuit court in the county in which the land covered by the lease to be consolidated hereunder, or the greater portion thereof, lies, a petition for an order approving such consolidation agreement setting forth a copy of the consolidation agreement and a statement of facts constituting the grounds relied upon to secure the approval of such agreement, and shall submit with the petition the affidavits of not less than three (3) disinterested owners of real estate in the county wherein the proceedings hereunder are brought, as to whether such agreement will be advantageous or beneficial to the person or persons of unsound mind for whom such committee is acting, which affidavits shall be filed and preserved as records of the circuit court.

(2) No agreement permitted by KRS 353.270 to 353.290 shall be valid or effective until the judge of said court appoints a guardian ad litem to represent the *mentally disabled* person or persons [of unsound mind] whose interests are sought to be consolidated hereunder. The guardian ad litem shall file an answer and the affidavits of at least three (3) witnesses, proving the advantages or disadvantages of such agreement, and shall make such recommendation to the judge relating to the agreement as he believes to be most beneficial to the persons on whose behalf he is acting. He shall receive for his services a reasonable compensation, to be allowed by the judge and taxed as costs.

(3) The judge shall proceed in a summary manner to approve or disapprove the consolidation agreement, and if he approves it he shall indorse his approval thereon. The order of the judge approving such agreement shall be entered on the civil order book of the circuit clerk's office of the county in which the proceedings hereunder are brought.

Section 97. KRS 342.210 is amended to read as follows:

(1) The benefits in case of death shall be paid to such one or more dependents of the deceased employe for the benefit of all the dependents entitled thereto, as are determined by the board. The dependents to whom payments are made shall apply the same to the use of the persons entitled thereto under this chapter, according to their respective claims on the deceased for support. The compensation of *a mentally disabled* [an insane] person shall be paid to his *guardian or conservator* [committee].

(2) If the dependents are a widow, widower or other head of a family of minor children and one or more minor children, it shall be sufficient for the widow, widower or head of the family to make application

for compensation on behalf of all. Where the dependents are mentally incapacitated or are minors the head of whose family is not a dependent, the application may be made by the [committee,] guardian, *conservator* or next friend of such dependents.

Section 98. KRS 353.330 is amended to read as follows:

All of the persons in being who have any present or contingent interest in the lands or estate or interest sought to be leased shall be made parties to the proceedings authorized in KRS 353.300 to 353.380, with any infant or infants being represented either by next friend or statutory guardian or guardian ad litem, or in the case of constructive service of summons by a warning order attorney appointed as in other cases. Any person *adjudged mentally disabled* [of unsound mind] shall be represented by his *guardian or conservator* [committee] or by guardian ad litem, or, in the case of constructive service of summons as in civil actions generally, by a warning order attorney appointed as in other cases. If the court specifically finds that the welfare or interest of any person or persons not in being requires special representation, the court may appoint a trustee ad litem to represent such unknown parties not in being or each separate class thereof, and such trustee ad litem shall file such pleadings or answer and take such steps as he deems proper, and such unknown persons will be fully bound by the proceedings hereunder. Otherwise, and in the absence of such finding by the court, it shall not be necessary to make parties any persons not in being, either as "unknown defendants" or otherwise, but the persons in being who are parties shall stand for and represent the full title and whole interest in said lands or estate or interest therein, and all parties not in being who might have some contingent or future interest therein, and all persons, whether in being or not in being, having any interest, present, future or contingent, in the property sought to be leased, will be fully bound by the proceedings hereunder. It shall be permissible, however, to make defendants any unknown persons who might have any interest in the land sought to be leased, under the style of "unknown defendants."

Section 99. KRS 353.370 is amended to read as follows:

If a trustee's lease is granted hereunder, even though one (1) of the parties who has an interest or possible interest in the property covered by such lease is a minor or a person *adjudged mentally disabled* [of unsound mind], no separate guardian's lease or *conservator's* [committee's] lease shall be necessary.

Section 100. KRS 355.8-308 is amended to read as follows:

(1) An indorsement of a security in registered form is made when an appropriate person signs on it or on a separate document an assignment or transfer of the security or a power to assign or transfer it or when the signature of such person is written without more upon the back of the security.

(2) An indorsement may be in blank or special. An indorsement in blank includes an indorsement to bearer. A special indorsement specifies the person to whom the security is to be transferred, or who has power to transfer it. A holder may convert a blank indorsement into a special indorsement.

(3) "An appropriate person" in subsection (1) means

(a) the person specified by the security or by special indorsement to be entitled to the security; or

(b) where the person so specified is described as a fiduciary but is no longer serving in the described capacity, — either that person or his successor; or

(c) where the security or indorsement so specifies more than one person as fiduciaries and one or more are no longer serving in the described capacity, — the remaining fiduciary or fiduciaries, whether or not a successor has been appointed or qualified; or

(d) where the person so specified is an individual and is without capacity to act by virtue of death, *mentally disabled* [incompetence], infancy or otherwise, — his executor, administrator, guardian or like fiduciary; or

(e) where the security or indorsement so specifies more than one person as tenants by the entirety or with right of survivorship and by reason of death all cannot sign, — the survivor or survivors; or

(f) a person having power to sign under applicable law or controlling instrument; or

(g) to the extent that any of the foregoing persons may act through an agent, — his authorized agent.

(4) Unless otherwise agreed the indorser by his indorsement assumes no obligation that the security will be honored by the issuer.

(5) An indorsement purporting to be only of part of a security representing units intended by the issuer to be separately transferable is effective to the extent of the indorsement.

(6) Whether the person signing is appropriate is determined as of the date of signing and an indorsement by such a person does not become unauthorized for the purposes of this article by virtue of any subsequent change of circumstances.

(7) Failure of a fiduciary to comply with a controlling instrument or with the law of the state having jurisdiction of the fiduciary relationship, including any law requiring the fiduciary to obtain court approval of the transfer, does not render his indorsement unauthorized for the purposes of this article.

Section 101. KRS 362.305 is amended to read as follows:

(1) On application by or for a partner the court shall decree a dissolution whenever:

(a) A partner has been adjudged *mentally disabled* [incompetent] by a court of competent jurisdiction in any judicial proceeding or is shown to be of unsound mind,

(b) A partner becomes in any other way incapable of performing his part of the partnership contract,

(c) A partner has been guilty of such conduct as tends to affect prejudicially the carrying on of the business,

(d) A partner wilfully or persistently commits a breach of the partnership agreement, or otherwise so conducts himself in matters relating to the partnership business that it is not reasonably practicable to carry on the business in partnership with him,

(e) The business of the partnership can only be carried on at a loss,

(f) Other circumstances render a dissolution equitable.

(2) On the application of the purchaser of a partner's interest under KRS 362.280 or 362.285:

(a) After the termination of the specified term or particular undertaking,

(b) At any time if the partnership was a partnership at will when the interest was assigned or when the charging order was issued.

Section 102. KRS 355.3-307 is amended to read as follows:

(1) Unless specifically denied in the pleadings each signature on an instrument is admitted. When the effectiveness of a signature is put in issue

(a) the burden of establishing it is on the party claiming under the signature; but

(b) the signature is presumed to be genuine or authorized except where the action is to enforce the obligation of a purported signer who has died or *been adjudged mentally disabled* [become incompetent] before proof is required.

(2) When signatures are admitted or established, production of the instrument entitles a holder to recover on it unless the defendant establishes a defense.

(3) After it is shown that a defense exists a person claiming the rights of a holder in due course has the burden of establishing that he or some person under whom he claims is in all respects a holder in due course.

Section 103. KRS 355.3-508 is amended to read as follows:

(1) Notice of dishonor may be given to any person who may be liable on the instrument by or on behalf of the holder or any party who has himself received notice, or any other party who can be compelled to pay the instrument. In addition an agent or bank in whose hands the instrument is dishonored may give notice to his principal or customer or to another agent or bank from which the instrument was received.

(2) Any necessary notice must be given by a bank before its midnight deadline and by any other person before midnight of the third business day after dishonor or receipt of notice of dishonor.

(3) Notice may be given in any reasonable manner. It may be oral or written and in any terms which identify the instrument and state that it has been dishonored. A misdescription which does not mislead the party notified does not vitiate the notice. Sending the instrument bearing a stamp, ticket or writing stating that acceptance or payment has been refused or sending a notice of debit with respect to the instrument is sufficient.

(4) Written notice is given when sent although it is not received.

(5) Notice to one partner is notice to each although the firm has been dissolved.

(6) When any party is in insolvency proceedings instituted after the issue of the instrument notice may be given either to the party or to the representative of his estate.

(7) When any party is dead or *adjudged mentally disabled* [incompetent] notice may be sent to his last known address or given to his personal representative.

(8) Notice operates for the benefit of all parties who have rights on the instrument against the party notified.

Section 104. KRS 379.010 is amended to read as follows:

(1) Every voluntary assignment made by a debtor to any person in trust for his creditors shall be for the benefit of all his creditors, except as provided in subsections (2) and (3) of this section, in proportion to their respective claims after the payment of the expenses of the trust.

(2) Any property conveyed by the deed of assignment upon which there is a valid lien shall be first applied to the discharge of the lien debt, and if the property is not sufficient to satisfy the lien debt, the lien creditor may present the unsatisfied remainder as a claim against the estate and receive thereon his pro rata share of the assets in the same manner as general creditors.

(3) Debts due by the assignor as guardian, *conservator* [committee], trustee of an express trust created by deed or will or as personal representative shall be paid in full before the general creditors receive anything.

Section 105. KRS 381.135 is amended to read as follows:

(1) A person desiring a division of land held jointly with others, or an allotment of dower or curtesy, may file in the circuit court of the county in which the land or the greater part thereof lies a petition containing a description of the land, a statement of the names of those having an interest in it, and the amount of such interest, with a prayer for the division or allotment; and, thereupon, all persons interested in the property who have not united in the petition shall be summoned to answer not more than twenty (20) days after

service of the summons. The written evidences of the title to the land, or copies thereof, if there be any, must be filed with the petition.

(2) The statutory guardian of an infant, or *guardian or conservator* [committee] of *a* [an incompetent] person *adjudged mentally disabled* may file or unite in the petition, in the names of, and in conjunction with such infant, or *mentally disabled* [incompetent] person; and, if the petition be against an infant, or *mentally disabled* [incompetent] person the guardian, or *conservator* [committee] may appear and defend for them; if they fail to do so, the court shall appoint a discreet person for that purpose.

(3) Upon such a petition by all interested in the property, or upon the expiration of twenty (20) days after the service of a summons on all who have an interest in the property and have not united in the petition, the court may order the division, or allotment of dower or curtesy, according to the rights of the parties.

(4) The court shall appoint three competent persons to make the partition, or allotment of dower or curtesy, or both, having a due regard to the rights of all parties interested. Before proceeding to act, the commissioners shall take an oath to discharge their duty impartially.

(5) The order of appointment shall fix a time and place for the meeting of the commissioners who shall meet accordingly; but, if prevented from meeting at the time and place so fixed, they may meet as soon thereafter as convenient, and may adjourn to such other time and place as they may agree upon, until their duty shall be performed.

(6) They shall survey and allot to the parties their respective interests in the land, and make report thereof to the court, which may either confirm, set aside or remand the report to the commissioners for correction.

(7) If the report be confirmed, a commissioner to be appointed for the purpose shall, by deed, convey to each party the land allotted to him.

(8) If the report be confirmed by the circuit court, it and the deed shall be certified by the clerk of that court to the county clerk, for record.

(9) Two of the commissioners may act, if one refuse or fail to do so.

(10) A party summoned may, by answer, controvert the allegations of the petition or contest the rights claimed therein; and, thereupon, the case shall be tried and decided as an ordinary action, but without the intervention of a jury.

(11) The costs of the action shall be apportioned among the parties in the ratio of their interests, except that the costs arising from a contest of fact or law shall be adjudged against the unsuccessful party.

(12) No verification of the pleadings shall be required.

(13) The commissioners shall be paid a reasonable compensation, to be taxed as costs.

(14) This section does not affect the jurisdiction of courts of equity to make partition or allot dower or curtesy.

Section 106. KRS 384.060 is amended to read as follows:

The court shall have full discretionary authority to appoint any suitable person as such conservator and may require such conservator to post an adequate surety bond and to make such reports as the court may deem necessary. The conservator shall have the same powers and authority as the guardian of the property of an infant or the *guardian or conservator* [committee] of *a mentally disabled person* [an incompetent], and shall be considered as an officer or arm of the court.

Section 107. KRS 385.011 is amended to read as follows:

In KRS 385.011 to 385.101, unless the context otherwise requires:

(1) An "adult" is a person who has attained the age of eighteen (18) years.

(2) A "bank" includes every corporation authorized by law to do a banking business.

(3) A "broker" is a person lawfully engaged in the business of effecting transactions in securities for the account of others. The term includes a bank which effects such transactions. The term also includes a person lawfully engaged in buying and selling securities for his own account, through a broker or otherwise, as a part of a regular business.

(4) "Court" means the chancery division of the circuit court.

(5) The "custodial property" includes:

(a) All securities, life insurance policies, annuity contracts and money under the supervision of the same custodian for the same minor as a consequence of a gift or gifts made to the minor in a manner prescribed in KRS 385.011 to 385.101;

(b) The income from the custodial property; and

(c) The proceeds, immediate and remote, from the sale, exchange, conversion, investment, reinvestment, surrender or other disposition of such securities, money, life insurance policies, annuity contracts and income.

(6) A "custodian" is a person so designated in a manner prescribed in KRS 385.011 to 385.101; the term includes a successor custodian.

(7) A "financial institution" means a bank, trust company or savings and loan association authorized by law to do business in this state.

(8) A "guardian" of a minor means the general guardian, guardian, tutor or curator of his property or estate appointed or qualified by a court of this state or another state.

(9) An "issuer" is a person who places or authorizes the placing of his name on a security (other than as a transfer agent) to evidence that it represents a share, participation or other interest in his property or in an enterprise or to evidence his duty or undertaking to perform an obligation evidenced by the security, or who becomes responsible for or in place of any such person.

(10) A "legal representative" of a person is his executor or the administrator, general guardian, guardian, [committee,] conservator, tutor or curator of his property or estate.

(11) A "life insurance policy or annuity contract" means a life insurance policy or annuity contract, issued by an insurance company authorized to do business in this state on the life of a minor to whom a gift of the policy or contract is made in the manner prescribed in KRS 385.011 to 385.101 or on the life of a member of the minor's family.

(12) A "member" of a "minor's family" means any of the minor's parents, grandparents, brothers, sisters, uncles and aunts, whether of the whole blood or the half blood, or by or through legal adoption.

(13) A "minor" is a person who has not attained the age of eighteen (18) years.

(14) A "security" includes any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas or mining title or lease in payments out of production under such a title or lease, collateral trust certificate, transferable share, voting trust certificate or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, any temporary or interim certificate, receipt or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing. The term does not include a security of which the donor is the issuer. A security is in "registered form" when it specifies a person entitled to it or to the rights it evidences and its transfer may be registered upon books maintained for that purpose by or on behalf of the issuer.

(15) A "transfer agent" is a person who acts as authenticating trustee, transfer agent, registrar or other agent for an issuer in the registration of transfers of its securities or in the issue of new securities or in the cancellation of surrendered securities.

(16) A "trust company" is a bank, or corporation authorized to exercise trust powers.

Section 108. KRS 386.010 is amended to read as follows:

As used in KRS 386.010 to 386.180, unless the context requires otherwise:

(1) "Fiduciary" means any trustee, guardian, executor, administrator, [committee] or other individual or corporation holding funds or otherwise acting in a fiduciary capacity.

(2) "Principal" means any person to whom a fiduciary, as such, owes an obligation.

Section 109. KRS 386.165 is amended to read as follows:

(1) Notwithstanding any other provision of law, any fiduciary holding securities in its fiduciary capacity, any bank or trust company holding securities as a custodian or managing agent, any bank or trust company holding securities as custodian for a fiduciary, is authorized to deposit or arrange for the deposit of such securities in a clearing corporation as defined in KRS 355.8-102. When such securities are so deposited, certificates representing securities of the same class of the same issuer may be merged and held in bulk in the name of the nominee of such clearing corporation with any other such securities deposited in such clearing corporation by any person regardless of the ownership of such securities, and certificates of small denomination may be merged into one of more certificates of larger denomination. The records of such fiduciary and the records of such bank or trust company acting as custodian, as managing agent or as custodian for a fiduciary shall at all times show the name of the party for whose account the securities are so deposited. Title to such securities may be transferred by bookkeeping entry on the books of such clearing corporation without physical delivery or certificates representing such securities. A bank or trust company depositing securities pursuant to this section shall be subject to such rules and regulations with respect to the making and maintenance of such deposit as, in the case of a bank or trust company organized under the laws of this state, the commissioner of banking and securities and, in the case of national banking associations, the comptroller of the currency may from time to time issue. A bank or trust company acting as custodian for a fiduciary shall, on demand of the fiduciary, certify in writing to the fiduciary the securities so deposited by such bank or trust company in such clearing corporation for the account of such fiduciary. A fiduciary shall, on demand by any party to its accounting or on demand by the attorney for such party, certify in writing to such party the securities deposited by such fiduciary in such clearing corporation for its account as such fiduciary.

(2) This section shall apply to any fiduciary holding securities in a fiduciary capacity, and to any bank or trust company holding securities as a custodian, managing agent or custodian for a fiduciary, acting on June 21, 1974, or who thereafter may act regardless of the date of the agreement, instrument or court order by which it is appointed and regardless of whether or not such fiduciary, custodian, managing agent or custodian for a fiduciary owns capital stock of such clearing corporation.

(3) As used in this section, "fiduciary" includes an executor, administrator, trustee under any trust, express, implied, resulting or constructive, guardian, conservator, [committee,] receiver, trustee in bankruptcy, assignee for the benefit of creditors, partner, agent, officer or a corporation, public or private, public officer or any other person acting in a fiduciary capacity for any person, trust or estate.

Section 110. KRS 387.025 is amended to read as follows:

Any interested person may petition the court for the appointment of a guardian [or committee] but before an appointment is made, the petitioner shall make and file in duplicate a written application under oath, which must state the name, age and residence of the ward, the ward's husband or wife and each of the ward's parents, or if there be no spouse or parents, the names, ages and residence of the next of kin, the name of the person having custody of the ward, a brief description of the ward's estate and its probable value, and the estimated annual income therefrom. A duplicate copy of said application shall be mailed by the clerk to the commissioner of revenue of the state of Kentucky. The court shall thereupon appoint a time for hearing such application. Notice thereof shall be given to the minor if more than fourteen years of age; to the person having custody of the ward; to the husband or wife and each parent of the ward, or if none, to the next of kin residing in the state in the manner provided in KRS 395.016.

Section 111. KRS 389.010 is amended to read as follows:

(1) The real property or any right, title or interest in real property of a person under the age of eighteen years, or of a person of unsound mind, whether such person be a resident or a nonresident of this state, may be sold under or by decree of a court of equity of the county in which the property or any part thereof is situated for any purpose deemed by the court to be necessary or proper or beneficial to such person under disability.

(2) The decree may be rendered on a petition, counterclaim or cross-petition filed by the statutory guardian of an infant, or by the *guardian or conservator* [committee] of a *mentally disabled person* [person of unsound mind], or by a next friend, or by any party against a guardian or *conservator* [committee], if he has one residing in this state, in any kind of similar proceeding that may be maintained against a person who is not under disability.

(3) Except in actions brought under subsection (13) of this section, if the guardian or *conservator* [committee] of a person under disability be a party to the action, then it shall not be necessary for the person under disability to be made a party personally.

(4) If the guardian or *conservator* [committee] of a person under disability be not a party to the action, then it shall be necessary for the person under disability to be a party personally and brought before the court in the manner authorized by the Rules of Civil Procedure.

(5) Nothing contained in subsections (2), (3) and (4) of this section shall limit the purposes of sale named in subsection (1) of this section.

(6) If the suit be filed against a guardian or *conservator* [committee] and he shall fail to appear and defend or show that no good defense can be made, the court shall appoint a guardian ad litem to do so.

(7) The pleading seeking a sale shall file the title papers, or copies thereof, under which the property is held; shall particularly describe the property and the interest therein of the person under disability; set forth fully the reasons or purposes for which it is sought to have the same sold; and the nature and extent of all liens upon the interest of the person, if any, so far as the same may be known to the petitioner.

(8) The case may be referred by order of court to the master commissioner for hearing of evidence and report on the facts and his recommendation with respect to the relief sought in the pleadings.

(9) The allegations of the pleading shall not be taken as confessed but shall be proved by competent evidence heard on deposition or orally by the judge or commissioner. A transcript thereof shall be filed as part of the record.

(10) The proceeds of any sale may be paid to the guardian or *conservator* [committee] provided that he shall have executed in the circuit court a bond with surety to the Commonwealth for the use and benefit of the person under disability that he will faithfully discharge his trust and will account for, pay and deliver to said person all money and other property due or belonging to him when he shall reach his majority, or if he be a person of unsound mind when he shall be legally restored, or to his heirs or personal representative, or in compliance with an order of any court of competent jurisdiction. The court shall endorse its approval on said bond, which shall be recorded on the order book; provided, that if the circuit court, upon examination of a certified copy of the bond executed in the district court of his appointment by the guardian or *conservator* [committee], which copy shall be filed in the circuit court, should determine, in its discretion, that said bond is adequate and sufficient, the above bond to be executed in the circuit court shall not be required. The circuit court shall enter an order in the order book that it has personally examined the certified copy of the bond executed in the district court, and found it adequate and sufficient and that no additional bond shall be required in that circuit court. The copy of the bond shall be certified as a true and correct copy of the bond by the clerk of the court in which it was executed.

(11) Subject to the above conditions, judgment may be rendered and executed in the same manner and on the same terms as judgments in similar cases where no person under disability is a party.

(12) Provided, that (a) the court may in its discretion in an ex parte or adversary proceeding authorize the guardian or *conservator* [committee] of such person or the commissioner of the court to make said sale at public auction upon such terms and conditions as the court may order, and to convey title thereto;

or (b) if the land or interest to be sold be of an appraised value of less than twenty-five hundred dollars, the court may in the judgment authorize such fiduciary to make the sale privately and convey title; subject, however, to the approval of the court before consummation.

(13) Without previous judicial proceeding or judgment the guardian of an infant or the *guardian or conservator* [committee] of a *mentally disabled* person [of unsound mind] may sell privately or at public auction and convey any interest in real estate owned by a ward for such reasons and purposes and upon such terms and conditions as he shall deem best for the interest of said ward. Provided, however, that no such sale shall be consummated until same shall have been approved by the judge of the circuit court in the county where the land or a portion thereof is situated in a suit in equity filed by the guardian or *conservator* [committee] against said infant or *mentally disabled* person of [unsound mind]. The petition shall set forth the reason and purposes of the sale and the terms thereof.

(14) If the person under disability be brought before the court by service of summons, a guardian ad litem shall be appointed for such person. Proof shall be taken only on notice to said guardian ad litem or, if the person under disability be constructively summoned, on notice to his warning order attorney. Proof may be taken by depositions or orally before the judge and thereafter transcribed and filed in the record of the case. The guardian ad litem or warning order attorney shall make a defense or file a report stating that after careful examination of the case he is unable to make a defense.

(15) If the court shall deem the sale advisable and the terms and price satisfactory, it shall enter an order approving the same; provided, however, that the judgment shall not be entered until the guardian or *conservator* [committee] shall have executed a bond with approved surety in an amount not less than the sum due, or to become due, his ward from said sale providing that he will faithfully discharge all his duties as such guardian or *conservator* [committee] and will comply with the judgment and orders of the court, and account for, pay and deliver the proceeds of the sale or property in which it shall be invested to his ward or other person entitled thereto. The bond shall be approved by the court and recorded in the order book; provided, if the share of the infant in the proceeds does not exceed one hundred dollars, exclusive of interest, no bond shall be required of the guardian; provided further, that if the circuit court, upon examination of a certified copy of the bond executed in the county of his appointment by the guardian or *conservator* [committee], which copy shall be filed in the circuit court, should determine in its discretion that said bond is adequate or sufficient the above bond to be executed in the circuit court shall not be required. The circuit court shall enter an order in the order book that it has personally examined the certified copy of the bond executed in the district court and found it adequate and sufficient and that no additional bond shall be required in that circuit court. The copy of the bond shall be certified as a true and correct copy of the bond by the clerk of the court in which it was executed. This proceeding shall be tried and judgment rendered in accordance with the Rules of Civil Procedure.

(16) The court shall at all times enter such orders as will conserve and protect the rights of the person under disability.

(17) No defect or error in the proceeding shall render the judgment or sale void unless the same is of the nature and character that would render the proceeding void if all parties were sui juris.

Section 112. KRS 389.015 is amended to read as follows:

Any bond provided for in KRS 389.010 shall remain in full force and effect until the guardian or *conservator* [committee] has filed in the district court of the county of his appointment and qualification a settlement of his account showing payment to, or for the benefit of, his ward, of the funds secured by such bond, and until the settlement has been approved and confirmed by the district court. Upon production to the circuit court in which the bond was executed, of a certified copy of the settlement and of the order of the district court approving and confirming the same, the circuit court shall enter an order releasing the guardian or *conservator* [committee], and his sureties, from further liability under the bond.

Section 113. KRS 389.030 is amended to read as follows:

(1) In an equitable action by the owner of a particular estate of freehold in possession, or by a guardian or *conservator* [committee] as provided in KRS 389.010, against the owner of the reversion or remainder, though he be an infant or *mentally disabled* [of unsound mind], and against the owner of the particular estate if he be an infant or *mentally disabled* [of unsound mind]; or, if the remainder be contingent, against the person, if in being, in whom it would have vested if the contingency had happened before commencement of the action, though he be an infant or *mentally disabled* [of unsound mind], and against the owner of the particular estate if he be an infant or *mentally disabled* [of unsound mind] — real property may be sold for investment of the proceeds in other real property.

(2) The court ordering the sale shall, by its commissioner, retain the custody and control of the fund realized by the sale until the same is reinvested in real estate, or in such other property as the funds of persons under disability may be invested in authority of law, and the court shall order the money to be paid, by its commissioner, directly to the person from whom the purchase for reinvestment is made; or the court may authorize payment of the proceeds of sale of land of an infant or person of unsound mind to his guardian or *conservator* [committee] as provided in subsection (10) of KRS 389.010.

(3) The court may in its discretion authorize the consummation of a private sale, provided the complaint shall set forth the price and the terms thereof; and provided the chancellor finds the terms and price satisfactory. The proceeds shall remain in the custody of the court, as set forth in subsection (2) above until reinvested as provided in subsection (2) above. The deed shall be executed and delivered by the commissioner and if the property is sold on terms, then the note shall be made payable to the commissioner and the vendor's lien securing same shall be retained in the name of the commissioner, who may make releases in whole or in part as directed by the court.

Section 114. KRS 389.045 is amended to read as follows:

(1) The court shall appoint a suitable person, as commissioner, to execute its judgment.

(2) The court shall cause the title of the property to be conveyed by a commissioner to the purchaser, without warranty.

(3) The conveyance must be acknowledged before and approved by the court, and be certified by its clerk to the county clerk for record.

(4) In the actions for investment authorized by KRS 389.010 the court shall order the proceeds of sales to be invested, subject to its approval, in real estate in or out of this state, or in bonds of the United States or of this state, or in the stock of a bank of this state, subject to the same uses, trusts and limitations as the estate sold was subject to.

(5) If the owner of real estate which may have been sold under the provisions of this chapter die during infancy; or being *mentally disabled* [incompetent], die intestate; and upon privy examination as is authorized by this chapter, or without disposing in the manner authorized by law of the property in which the proceeds may have been invested, the person who would have been entitled to the property, if it had not been sold, shall be entitled to the proceeds, or to the property in which they have been invested.

(6) All persons interested in the property must be made parties; and, if objection to the sale be made by a defendant having a joint interest, his share shall not be sold, but the property may be divided, and a sale of the shares of those desiring it may be ordered, if such division and sale can be made without materially impairing the value of the property or of the plaintiff's interest therein.

(7) If a deed or will give to a trustee a discretionary power to sell the property, the court shall not have power to order a sale of it without the consent of the trustee.

Section 115. KRS 389.060 is amended to read as follows:

(1) Where the real property or any interest therein of an infant or *a mentally disabled* person [of unsound mind] shall be sold under the provisions of KRS 389.010, a lien shall remain on the land to secure the payment of his share of the proceeds until same shall be paid.

(2) The court may permit the guardian or the *conservator* [committee] to receive the interest accruing on the unpaid purchase money without executing the bond provided in subsection (10) (c) of KRS 389.010.

(3) The infant upon becoming of age, or the *mentally disabled* person [of unsound mind] upon his restoration *of civil rights* [to sound mind], or the guardian or *conservator* [committee] upon executing bond as provided in subsection (10) (c) of KRS 389.010, may collect and receive the proceeds as same shall become due.

(4) The purchaser upon maturity of any bond or portion of the purchase price may pay the amount due into court. If the guardian or the *conservator* [committee] does not execute bond as provided in subsection (10) (c) of KRS 389.010 so that same may be paid over to him, the court shall direct the investment of such proceeds by the master commissioner or receiver of the court, under supervision of the court, until the guardian or the *conservator* [committee] shall qualify to receive the same, or the infant or *mentally disabled* person [of unsound mind] shall become competent to receive the same personally.

Section 116. KRS 392.130 is amended to read as follows:

The spouse of an infant spouse, or of a spouse judicially declared *mentally disabled* [incompetent], if the spouse not under disability is of the age of eighteen years, or if not, with the approval of the circuit court, on such terms as it may deem equitable, may unite with his guardian or *conservator* [committee], or with the commissioner of the court, in the conveyance of the real estate of the spouse under disability, so as to release the inchoate right of dower or curtesy of the spouse not under disability, when a sale and conveyance of the real estate are ordered to be made by the guardian or *conservator* [committee], or by the commissioner or other officer of the court. An infant spouse may also be permitted by the circuit court to unite with his adult spouse in the conveyance of the adult spouse's real estate without terms, or on such terms as may be deemed equitable, so as to release the inchoate right of dower or curtesy of the infant spouse. If, in judicial proceedings to sell the real estate of an infant spouse, or of a spouse judicially declared *mentally disabled* [incompetent], his spouse is made a party defendant, and by answer, and on privy examination in open court or by a judge of a court in which such proceedings are pending, or by a commissioner appointed by the court to take the case, the spouse not under disability consents to a sale of the property, free from the inchoate right of dower or curtesy of the spouse not under disability, either without terms or on terms designated by the spouse not under disability, the court may, if it deems the terms of such consent equitable, order the sale of such property, free from the inchoate right of dower or curtesy, upon the terms of consent proposed by that spouse.

Section 117. KRS 392.140 is amended to read as follows:

Whenever a married person has become a confirmed *mentally disabled* [incompetent] person, the circuit court of the county in which is situated land belonging to the spouse of such *disabled* [incompetent] person may, upon the petition of the spouse of the *mentally disabled* [incompetent] person, adjudge the sale and conveyance, or the mortgage, of the inchoate right of dower or curtesy of the person under disability. The *mentally disabled* [incompetent] person and his *guardian or conservator* [committee], if he has one, shall be made defendants to the action; if he has no *guardian or conservator* [committee], the court shall appoint an attorney to defend for him, to whom the court shall make a reasonable allowance to be paid by the spouse of the *mentally disabled* [incompetent] person. A description of the land shall be given in the petition and the evidence of title of the spouse of the *mentally disabled* [incompetent] person filed therewith. If the court is satisfied by the proof that the *mentally disabled* [incompetent] spouse is a confirmed *mentally disabled* [incompetent] person, it may adjudge the sale and conveyance, or mortgage, of her inchoate right of dower or his inchoate right to curtesy in said land, and if the *mentally disabled* [incompetent] spouse has a *guardian or conservator* [committee], the court may direct that he unite with the spouse of the *mentally disabled* [incompetent] person in the deed or mortgage; if the *mentally disabled* [incompetent] spouse has no *guardian or conservator* [committee], the court shall appoint a commissioner who shall unite with the spouse of the *mentally disabled* [incompetent] person in the deed or mortgage. Before any judgment pursuant to this section shall be rendered, the spouse of the *mentally disabled* [incompetent] person, with at least two good sureties, shall execute before the court a covenant to the commonwealth for the benefit of the *mentally disabled* [incompetent] spouse, to be approved by the court, that the *mentally disabled* [incompetent] spouse will be paid the value of his right of dower or curtesy in the land should such right thereafter become complete.

Section 118. KRS 394.190 is amended to read as follows:

Any person interested in such probate may be summoned, or proceeded against by warning order, and if an infant or *mentally disabled* person [of unsound mind], a guardian ad litem shall be appointed.

Section 119. KRS 395.016 is amended to read as follows:

When notice of hearing of an application for the appointment of an administrator, administrator with will annexed, guardian, or *conservator* [committee] is required hereunder, it shall be given by mailing written notice of the time, place and purpose of such hearing at least five days before said hearing. Proof of such notice shall be by certified mail, return receipt requested or by registered mail receipt or by applicant's affidavit that the same was mailed to each of the parties entitled thereto in a sealed envelope, postage prepaid, and the date when posted, which proof shall be filed at the time of hearing. If all parties entitled to notice are under no disability and waive notice in writing, the court may hear such application as if notice had been given. A minor over fourteen years of age may waive notice if present in person at the time of hearing of application for appointment of his guardian; provided, however in any estate where the gross amount involved is less than one thousand dollars the court in its discretion may dispense with the requirements of this section relating to notice.

Section 120. KRS 395.130 is amended to read as follows:

(1) Every fiduciary, except as provided in KRS 287.220, shall provide surety on his bond unless, on the petition of any interested party, the court upon being satisfied that all interests are adequately protected excuses the requirement of a surety, or unless, by the terms of the will or trust, surety is not required. Subsequent to the qualification of a fiduciary and on motion of any interested party the court may reduce the amount of the bond, release the surety, or permit the substitution of another bond with the same or different sureties. If an executor does not give bond when required to do so, he shall not be permitted to qualify, and, if he has already qualified, he shall be removed.

(2) Whenever any personal representative, guardian, [committee] or other trustee or fiduciary who is required by law to execute a bond for the faithful discharge of his duties or fulfillment of his trust, procures as surety on his bond an incorporated surety company authorized to do business in this state, the necessary and reasonable cost incident to the bond shall be a lawful charge against the estate in the hands of the fiduciary, as other expenses of administration, and in his settlement the fiduciary shall be entitled to credit by the amount actually paid by him for that purpose, subject to the approval of the court which has approved the bond.

Section 121. KRS 395.155 is amended to read as follows:

For the purpose of computing commissions whenever any portion of the dividends, interests, rents or other amounts payable to an executor, administrator, trustee, guardian, [committee], curator or other personal representative or fiduciary is required by any law of the United States or other governmental unit to be withheld for income tax purposes by the person, corporation, organization or governmental unit paying the same, the amount so withheld shall be deemed to have been collected.

Section 122. KRS 395.325 is amended to read as follows:

(1) If any fiduciary resigns or is removed, he shall upon the appointment of his successor settle his accounts.

(2) If any fiduciary becomes *mentally disabled* [incompetent] or dies, the personal representative of his estate shall upon the appointment of a successor fiduciary for the *mentally disabled fiduciary* [incompetent] or decedent settle for his decedent the accounts of the first decedent.

(3) In appointing a successor trustee of a trust created by will, the court shall give preference to that person, or those persons, designated in the will as successor trustee. If there be no such designation or if the court finds the person or persons so designated are not best qualified to protect the interests of the beneficiaries, then the court shall give preference to the persons who apply for appointment, preferring the surviving husband or wife, and then such others as are next entitled to distribution or one or more of them whom the court deems best qualified.

Section 123. KRS 395.480 is amended to read as follows:

If any person beneficially interested in an estate is not sui juris, consent for that person to the written agreement provided by subsection (1) of KRS 395.470 may be given by his guardian, curator or *conservator* [committee]. In the case of a prisoner otherwise sui juris, consent may be given by him personally instead of by his curator if it is acknowledged before the superintendent or keeper of the prison and the superintendent or keeper certifies that, in his opinion, the prisoner gave his consent freely. If any person not sui juris is beneficially interested, a trustee appointed under subsection (2) of KRS 395.470 to collect claims and demands shall not act until he has given bond to account for the share of that person and the bond has been approved by the district court.

Section 124. KRS 402.020 is amended to read as follows:

Marriage is prohibited and void:

(1) With a person who has been adjudged *mentally disabled* [incompetent] by a court of competent jurisdiction;

(2) Where there is a husband or wife living, from whom the person marrying has not been divorced;

(3) When not solemnized or contracted in the presence of an authorized person or society;

(4) When at the time of marriage, the person is under eighteen (18) years of age, if the marriage is without the consent of the father, mother, guardian, or other person lawfully having charge of his or her person, provided, however, that in case of pregnancy the male and female, or either of them, under the ages herein specified may apply to a district court judge for permission to marry, which application may be granted, in the discretion of the judge. There shall be a fee of five dollars ($5.00) for hearing each such application.

Section 125. KRS 402.990 is amended to read as follows:

(1) Any party to a marriage prohibited by KRS 402.010 shall be fined not less than five hundred dollars ($500) nor more than five thousand dollars ($5,000). If the parties continue after conviction to cohabit as man and wife, either or both of them shall be imprisoned in the penitentiary for not less than three (3) nor more than twelve (12) months.

(2) Any person who aids or abets the marriage of any person who has been adjudged *mentally disabled* [incompetent], or attempts to marry, or aids or abets any attempted marriage with any such person shall be fined not less than fifty dollars ($50) nor more than five hundred dollars ($500).

(3) Any authorized person, with or without a license, who knowingly solemnizes a marriage prohibited by this chapter shall be fined not more than one thousand dollars ($1,000) or imprisoned not less than one (1) month nor more than twelve (12) months, or both.

(4) Any minister or priest who breaches the covenant required by KRS 402.060 shall be fined not more than two thousand dollars ($2,000).

(5) Any person who attempts to solemnize a marriage without a marriage license or without being authorized by the county judge/executive to solemnize marriages shall be fined not more than one thousand dollars ($1,000) or imprisoned for not less than one (1) month nor more than twelve (12) months, or both.

(6) Any unauthorized person who solemnizes a marriage under pretense of having authority, and any person who falsely personates the father, mother or guardian of an applicant in obtaining a license shall be imprisoned in the penitentiary for not more than three (3) years.

(7) Any person who falsely and fraudulently represents or personates another, and in such assumed character marries that person, shall be imprisoned in the penitentiary for not less than one (1) nor more than five (5) years. Indictment under this subsection shall be found only upon complaint of the injured party and within two (2) years after the commission of the offense.

(8) Any clerk who knowingly issues a marriage license to any persons prohibited by this chapter from marrying shall be fined not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000), and removed from office by the judgment of the court in which he is convicted.

(9) Any clerk who knowingly issues a marriage license in violation of his duty under this chapter shall be fined not more than one thousand dollars ($1,000).

(10) If any deputy clerk or any person other than a county clerk knowingly issues a marriage license in violation of this chapter, but not for a prohibited marriage, he shall be fined not more than one thousand

dollars ($1,000), and if he knowingly issues a license for a marriage prohibited by this chapter he shall be fined not more than one thousand dollars ($1,000) or imprisoned not more than one (1) year, or both.

(11) Any person who violates any of the provisions of KRS 402.090 shall be fined not less than ten dollars ($10) nor more than one hundred dollars ($100) for each offense.

(12) Any county clerk who violates any of the provisions of KRS 402.110 or 402.230 shall be fined not less than twenty dollars ($20) nor more than fifty dollars ($50).

(13) Any person who violates any of the provisions of KRS 402.120 to 402.200 by disclosing any matter of confidential nature shall be fined one thousand dollars ($1,000), which shall be paid to the applicant for a marriage license in lieu of damages. Upon failure to pay the fine, the defendant shall be imprisoned as for failure to pay any other fine.

(14) Any physician, laboratory representative, county clerk or applicant for a marriage license who violates any of the provisions of KRS 402.120 to 402.200, or makes any false representation of fact or identity, shall be fined not less than ten dollars ($10) nor more than one hundred dollars ($100), and imprisoned in the county jail for a term fixed by the jury.

(15) Any person failing to make the return required of him by KRS 402.220 shall be fined fifty dollars ($50).

Section 126. KRS 388.190 is amended to read as follows:

As used in this chapter:

(1) The term "person" includes a partnership, corporation or an association.

(2) The term "Veterans Administration" means the Veterans Administration, its predecessors or successors.

(3) The terms "estate" and "income" shall include only moneys received by the guardian or *conservator* [committee] from the Veterans Administration, all earnings, interest and profits derived therefrom and all property acquired therewith.

(4) The term "benefits" shall mean all moneys paid or payable by the United States through the Veterans Administration.

(5) The term "Administrator" means the Administrator of Veterans Affairs or his successor.

(6) The term "ward" means a beneficiary of the Veterans Administration.

(7) The term "guardian" as used herein shall mean any person acting as a fiduciary for *a* [an incompetent] person *adjudged mentally disabled.*

(8) The term "court" means the district court of the county of the beneficiary's residence.

Section 127. KRS 388.200 is amended to read as follows:

The administrator of veterans affairs, or his successor, is and shall be a party in interest in any proceeding brought under any law of this state for the appointment of a guardian or [committee] for any minor or *person adjudged* mentally *disabled* [incompetent] beneficiary or the veterans administration on whose account benefits have been paid or are payable by said veterans administration, and the said administrator or his successor is and shall be an interested party in any court proceeding pertaining to or effecting in any manner the administration of the estate of any such beneficiary on whose account such benefits are payable or whose estate includes assets derived from benefits paid by the veterans administration, its predecessor or successor. Written notice shall be given by certified mail, return receipt requested or by registered mail, unless waived in writing, to the office of the veterans administration having jurisdiction over the area in which the court is located, of the time and place for hearing on any petition or pleading or in connection with any proceeding pertaining to or affecting in any manner the administration of the estate of any such beneficiary of the veterans administration. Said notice shall be deposited in the mails not less than fifteen days prior to the date of such hearing or other proceedings.

Section 128. KRS 388.210 is amended to read as follows:

Whenever, pursuant to any law of the United States or regulation of the Veterans Administration, it is necessary, prior to payment of benefits, that a guardian [or committee] be appointed for a minor or *a* mentally *disabled* [incompetent] beneficiary of the Veterans Administration such appointment shall be made in the manner hereinafter provided.

Section 129. KRS 388.220 is amended to read as follows:

(1) Except as hereinafter provided, it shall be unlawful for any person to accept appointment as guardian [or committee] of any minor or mentally *disabled* [incompetent] beneficiary of the Veterans Administration if such proposed guardian [or committee] shall at that time be acting as guardian [or committee] for five wards. In any case, upon presentation of a petition by an attorney of the Veterans Administration under this section alleging that a guardian [or committee] is acting in a fiduciary capacity for more than five wards and requesting his discharge for that reason, the court, upon proof substantiating the petition, shall require a final accounting forthwith from such guardian [or committee] and shall discharge such guardian [or committee] in said case.

(2) The limitations of this section shall not apply where the guardian [or committee] is a bank or trust company. An individual may be guardian [or committee] of more than five wards if they are all members of the same family.

Section 130. KRS 388.230 is amended to read as follows:

(1) A petition for the appointment of a guardian [or committee] for any minor or mentally *disabled* [incompetent] beneficiary of the Veterans Administration may be filed in the court having jurisdiction by or on behalf of any person who under existing law is entitled to priority of appointment. If there be no person so entitled or if the person so entitled shall neglect or refuse to file such a petition within thirty days after mailing of notice by the Veterans Administration to the last known address of such person indicating the necessity for the same, a petition for such appointment may be filed by or on behalf of any responsible person residing in this state.

(2) The petition for appointment shall set forth the name, age, place of residence of such beneficiary, the name and place of residence of the nearest relative, if known, and the fact that such beneficiary is entitled to receive benefits payable by or through the Veterans Administration and shall set forth the amount of moneys then due and the amount of probable future payments.

(3) The petition shall also set forth the name and address of the person or institution, if any, having actual custody of such beneficiary, and the name, age, relationship, if any, occupation and address of the person proposed for appointment as guardian [or committee]. Notwithstanding any provision of existing law as to priority, the court may appoint a capable individual, bank or trust company, as guardian [or committee], if the person entitled to priority fails to apply, or if after hearing the court determines it is for the best interest of such beneficiary to appoint another.

(4) In the case of a mentally *disabled* [incompetent] beneficiary, the petition shall show that such beneficiary has been rated *mentally disabled* [incompetent] by the Veterans Administration on examination in accordance with the laws and regulations governing the Veterans Administration.

Section 131. KRS 388.250 is amended to read as follows:

Notwithstanding the provisions of existing law for adjudication of *mental disability* [incompetency] and appointment of a *guardian or conservator* [committee] upon the inquest of a jury, where a petition is filed for the appointment of a *guardian or conservator* [committee] for a mentally *disabled* [incompetent] beneficiary of the Veterans Administration under the provisions of this Act, who is found within this state, whether or not a resident thereof, a certificate of the Administrator of Veterans Affairs or his duly authorized representative, accompanying such petition setting forth the fact that such beneficiary has been rated *mentally disabled* [incompetent] by the Veterans Administration on examination in accordance with the laws and regulations governing such Veterans Administration, and that the appointment of a *guardian or conservator* [committee] is a condition precedent to the payment of any moneys due each beneficiary by the Veterans Administration, shall be prima facie evidence of the necessity for such appointment. Provided, however, that some member of the bar shall be appointed by the court to represent and protect the interests and rights of such *mentally disabled* [incompetent] beneficiary as provided under existing law, and further that the right of any such *mentally disabled* [incompetent] beneficiary or any person interested in such beneficiary to demand a trial by jury shall not be denied.

Section 132. KRS 338.270 is amended to read as follows:

(1) Before making an appointment under the provisions of this Act, the court shall be satisfied that the person whose appointment is sought is a fit and proper person to be appointed. Upon the appointment being made, the guardian or *conservator* [committee] shall execute and file a bond to be approved by the court in an amount not less than the estimated value of the personal estate and anticipated income during the ensuing year. The said bond shall be in the form and be conditioned as required of guardians and committees appointed under the general guardianship laws of this state. The court shall have power from time to time to require the guardian or *conservator* [committee] to file an additional bond.

(2) Where a bond is tendered by a guardian or *conservator* [committee] with personal sureties, there shall be at least two such sureties and they shall file with the court a certificate under oath which shall describe the property owned, both real and personal, and shall state that they are each worth the sum named in the bond as the penalty thereof over and above all their debts and liabilities and exclusive of property exempt from execution. Notwithstanding such tender, the court may require additional security or may require a corporate surety bond, the premium thereon to be paid from the ward's estate.

Section 133. KRS 388.280 is amended to read as follows:

(1) Every guardian or *conservator* [committee] who shall receive on account of his ward any moneys from the Veterans Administration, shall file with the court annually, on the anniversary date of the appointment, in addition to such other accounts as may be required by the court, a full, true and accurate account under oath of all moneys so received by him, of all disbursements thereof, and showing the balance thereof in his hands at the date of such account and how invested. The guardian or *conservator* [committee], at the time of filing his account shall exhibit all securities or investments described therein to an officer of the bank or other depository wherein said securities are held for safekeeping, or to an authorized representative of the corporation which is surety on his bond, or to the clerk or deputy clerk of a court of record in this state or to any other reputable person designated by the court upon request of the guardian or *conservator* [committee] or other interested party, who shall certify in writing that he has examined such securities or investments

and identified them with those described in the account; provided, that if such depository is the guardian or *conservator* [committee], such certifying officer shall be an officer other than the officer verifying the account, or the guardian or *conservator* [committee] may exhibit such securities or investments to the Judge of the Court who shall endorse on the account and copy thereof a statement that the securities or investments shown therein as on hand were in fact exhibited to him and that those exhibited to him were the same as those shown in the account. Such certificate, and the certificate of an official of the bank in which is deposited any cash balance showing the amount on deposit shall be filed by the guardian or *conservator* [committee] with his account. A certified copy of each such accounts and a signed duplicate of such certificates filed with the court shall be sent by the guardian or *conservator* [committee] to the office of the Veterans Administration having jurisdiction over the area in which such court is located. A duplicate signed copy, or certified copy of any petition, motion or other pleading which is filed in the guardianship proceedings, or in any proceedings for the purpose of removing the disability or minority or of mental incompetency, shall be furnished by the person filing the same, to the office of the Veterans Administration concerned. The court, unless hearing be waived in writing by the Chief Attorney of the Veterans Administration, shall fix a time and place for the hearing on such account, petition, or other pleading, not less than fifteen days nor more than thirty days from the date of filing same unless a different available date be stipulated in writing and written notice of the time and place of such hearing shall be given by the court to the aforesaid Veterans Administration office not less than fifteen days prior to the date fixed for the hearing. Notice of such hearing shall in like manner be given to the guardian or *conservator* [committee] and to any others entitled to notice.

(2) The clerk shall mail said Veterans Administration office a copy of each order entered in any guardianship proceeding wherein the Veterans Administration is an interested party.

Section 134. KRS 388.290 is amended to read as follows:

If any guardian or *conservator* [committee] shall fail to file with the court or the Veterans Administration, as required by this Act, any account of the benefits received by him from the Veterans Administration on account of his ward within thirty days after such account is due, or shall fail to furnish the Veterans Administration a true copy of any account or of any petition or pleading as required by this chapter, such failure shall be grounds for removal.

Section 135. KRS 388.300 is amended to read as follows:

Compensation payable to guardians or committees shall not exceed five percent of the income of the ward during any year, but in no event shall the amount of such compensation be less than fifty dollars for each year. In the event of extraordinary services rendered by any guardian or *conservator* [committee], the court may, upon petition and after notice to the Veterans Administration and hearing thereon, authorize reasonable additional compensation therefor payable from the estate of the ward. Notice of such petition and hearing shall be given to the proper office of the Veterans Administration in the manner provided in KRS 388.280. No commission or compensation shall be allowed on the estate received from a preceding guardian.

Section 136. KRS 388.310 is amended to read as follows:

All funds in possession of such guardian or *conservator* [committee] shall be invested in such securities or other property in which the guardian or *conservator* [committee] has no interest, as allowed by law which investment shall be first approved by the court; except that investments in direct interest-bearing obligations of the United States Government or of this state shall be permissible without an order of the court.

Section 137. KRS 388.320 is amended to read as follows:

A guardian or *conservator* [committee] shall not apply any portion of the estate of his ward for the support and maintenance of any person other than said ward, his minor children and his spouse (if the spouse and the ward be living together) except upon petition to and prior order of the court after a hearing, notice of which has been given the proper office of the Veterans Administration in the manner and within the time provided in KRS 388.280.

Section 138. KRS 388.340 is amended to read as follows:

Upon filing a petition, or certificate, showing that a minor ward has attained majority, or that *a mentally disabled* [an incompetent] ward has been rated competent upon examination in accordance with the law, the court may order the guardian or *conservator* [committee] to file a final account; and, upon hearing, after notice to the former minor or *mentally disabled person* [incompetent] and to the Veterans Administration in the manner and within the time provided by KRS 388.280, and upon approval of the final account, the court may so adjudge and discharge the guardian or *conservator* [committee] and release the sureties from liability upon delivery to the former ward of the assets due him by the former guardian or *conservator* [committee], and may make such further order as may be lawful.

Section 139. KRS 404.050 is amended to reach as follows:

When a husband has been adjudged mentally *disabled* [incompetent] by a court of competent jurisdiction, the wife, by judgment of a court of equity, may be empowered to sell and convey by her own deed, or to mortgage by appropriate instrument, any of her real estate freed as to it and its proceeds from any claim of her husband.

Section 140. KRS 404.060 is amended to reach as follows:

(1) A married woman may sue, and be sued, as a single woman.

(2) She may defend an action against her and her husband for herself, and for him also if he fail to defend.

(3) If a husband desert his wife, she may bring or defend for him any action which he might bring or defend, and shall have the powers and rights with reference thereto which he would have had but for such desertion.

(4) If a female party to an action marry, her husband may be made a party by a motion, causing the fact to be stated upon the record; and the action shall not be delayed by reason of the marriage.

(5) But if a wife be *adjudged mentally disabled* [of unsound mind], or imprisoned, the actions mentioned in subsections (1), (2) and (3), of this section must be prosecuted or defended by her *guardian, conservator,* [committee] or curator, if she have one, and if she have none, must be prosecuted by her next friend, or defended by her guardian ad litem.

Section 141. KRS 413.090 is amended to read as follows:

Except as provided in KRS 413.110, 413.200, 413.210, 413.220, 413.230 and 413.240, the following actions shall be commenced within fifteen years after the cause of action first accrued:

(1) An action upon a judgment or decree of any court of this state or of the United States, or of any state or territory thereof, the period to be computed from the date of the last execution thereon.

(2) An action upon a recognizance, bond or written contract.

(3) An action upon the official bond of a sheriff, marshal, clerk, constable or any other public officer, or any commissioner, receiver, curator, personal representative, guardian, *conservator* [committee], or trustee appointed by a court or authority of law.

(4) An action upon an appeal bond or bond given on a supersedeas, attachment, injunction, order of arrest or for the delivery of property or for the forthcoming of property, or to obey or perform an order or judgment of court in an action, or upon a bond for costs, or any other bond taken by a court or judge or by an officer pursuant to the directions of a court or judge, in an action or after judgment or decree, or upon a replevin, sale or delivery bond taken under execution or decree, upon an indemnifying bond taken under a statute, or upon a bond to suspend a proceeding, or upon a bond or obligation for the payment of money or property or for the performance of any undertaking.

Section 142. KRS 417.014 is amended to read as follows:

The personal representative of a decedent, the guardian, *conservator* [committee] or curator of a person under disability, or any trustee, may agree to such submission. Upon such a submission, made in good faith, the award shall be binding, and be entered as the judgment of the court. No such fiduciary shall be responsible for any loss resulting from an award adverse to the interest he represents, unless caused by his fault or neglect.

Section 143. KRS 421.210 is amended to read as follows:

(1) In all actions between husband and wife, or between either or both of them and another, either or both of them may testify as other witnesses, except as to confidential communications between them during marriage, provided, however, that in an action for absolute divorce or divorce from bed and board, either or both of them may testify concerning any matter involved in the action, including questions of property, and provided further, that neither may be compelled to testify for or against the other.

(2) Subject to the provisions of subsection (7) of this section, no person shall testify for himself concerning any verbal statement of, or any transaction with, or any act done or omitted to be done by an infant under fourteen years of age, or by one who *has been adjudged mentally disabled* [is of unsound mind] or dead when the testimony is offered to be given except for the purpose, and to the extent, of affecting one who is living, and who, when over fourteen years of age and of sound mind, heard such statement, or was present when such transaction took place, or when such act was done or omitted, and except in actions for personal injury, death or damage to property by negligence or tortious acts, unless:

(a) The infant or his guardian shall have testified against such person, with reference to such statement, transaction or act; or

(b) The person *who has been adjudged mentally disabled* [of unsound mind] shall, when of sound mind, have testified against such person, with reference thereto; or

(c) The decedent, or a representative of, or someone interested in, his estate, shall have testified against such person, with reference thereto; or

(d) An agent of the decedent or *mentally disabled* person [of unsound mind], with reference to such act or transaction, shall have testified against such person, with reference thereto, or be living when such person offers to testify, with reference thereto.

(3) No person shall testify for himself, in chief, in an ordinary action, after introducing other testimony for himself, in chief; nor in an equitable action, after taking other testimony for himself, in chief.

(4) No attorney shall testify concerning a communication made to him, in his professional character, by his client, or his advice thereon, without the client's consent; nor shall an ordained minister, priest, rabbi or accredited practitioner of an established church or religious organization be required to testify in any civil

or criminal case or proceedings preliminary thereto, or in any administrative proceeding, concerning any information confidentially communicated to him in his professional capacity under such circumstances that to disclose the information would violate a sacred or moral trust, unless the person making the confidential communication waives such privilege herein provided.

(5) If the right of a person to testify for himself be founded upon the fact that one who is dead or *mentally disabled* [of unsound mind] has testified against him, the testimony of such person shall be confined to the facts or transactions to which the adverse testimony related.

(6) A person may testify for himself as to the correctness or original entries made by him against persons who are under no disability — other than infancy — in an accounting, according to the usual course of business though the person against whom they were made may have died or have become of *mentally disabled* [unsound mind]; but no person shall testify for himself concerning entries in a book, or the contents or purport of any writing, under the control of himself, or of himself and others jointly, if he refuse or fail to produce such book or writing, and to make it subject to the order of the court for the purposes of the action, if required to do so by the party against whom he offers to testify.

(7) The assignment of a claim by a person who is incompetent to testify for himself shall not make him competent to testify for another.

(8) A party may be examined as if under cross-examination at the instance of the adverse party, either orally or by deposition as any other witness; but the party called for such examination shall not be concluded thereby, but may rebut it by counter testimony.

(9) None of the preceding provisions of this section apply to affidavits for provisional remedies, or to affidavits of claimants against the estates of deceased or insolvent persons, or affect the competency of attesting witnesses of instruments which are required by law to be attested.

Section 144. KRS 453.140 is amended to read as follows:

A personal representative, guardian, assignee, curator, *conservator* [committee] or trustee in an action shall, if unsuccessful, be adjudged to pay costs as other litigants, but the judgment for costs in such cases shall only be against the assets that have, or may, come into the hands of the fiduciary.

Section 145. KRS 453.235 is amended to read as follows:

A guardian, curator, *conservator* [committee] or next friend, suing for a person under disability; and every plaintiff suing as an assignee, except an indorsee of a bill of exchange or a promissory note placed upon the footing of a bill of exchange, when insolvent, may be required to give security for costs; and on failure to do so in a reasonable time after it is directed by the court, upon the motion of the defendant, his action shall be dismissed.

Section 146. KRS 509.070 is amended to read as follows:

(1) A person is guilty of custodial interference when, knowing that he has no legal right to do so, he takes, entices or keeps from lawful custody any *mentally disabled* [incompetent] or other person entrusted by authority of law to the custody of another person or to an institution.

(2) It is a defense to custodial interference that the person taken from lawful custody was returned by the defendant voluntarily and before arrest or the issuance of a warrant for arrest.

(3) Custodial interference is a Class D felony unless the person taken from lawful custody is returned voluntarily by the defendant or unless the defendant is a relative of the victim in which case it is a Class A misdemeanor.

Section 147. KRS 503.110 is amended to read as follows:

(1) The use of physical force by a defendant upon another person is justifiable when the defendant is a parent, guardian or other person entrusted with the care and supervision of a minor or an incompetent person or when the defendant is a teacher or other person entrusted with the care and supervision of a minor, for a special purpose, and:

(a) The defendant believes that the force used is necessary to promote the welfare of a minor or *mentally disabled* [incompetent] person or, if the defendant's responsibility for the minor or *mentally disabled* [incompetent] person is for a special purpose, to further that special purpose or maintain reasonable discipline in a school, class or other group; and

(b) The force that is used is not designed to cause or known to create a substantial risk of causing death, serious physical injury, disfigurement, extreme pain, or extreme mental distress.

(2) The use of physical force by a defendant upon another person is justifiable when the defendant is a warden or other authorized official of a correctional institution, and:

(a) The defendant believes that the force used is necessary for the purpose of enforcing the lawful rules of the institution;

(b) The degree of force used is not forbidden by any statute governing the administration of the institution; and

(c) If deadly force is used, its use is otherwise justifiable under this code.

(3) The use of physical force by a defendant upon another person is justifiable when the defendant is a person responsible for the operation of or the maintenance of order in a vehicle or other carrier of passengers and the defendant believes that such force is necessary to prevent interference with its operation or to

maintain order in the vehicle or other carrier, except that deadly physical force may be used only when the defendant believes it necessary to prevent death or serious physical injury.

(4) The use of physical force by a defendant upon another person is justifiable when the defendant is a doctor or other therapist or a person assisting him at his direction, and:

(a) The force is used for the purpose of administering a recognized form of treatment which the defendant believes to be adapted to promoting the physical or mental health of the patient; and

(b) The treatment is administered with the consent of the patient or, if the patient is a minor or *a* [an] *mentally disabled* [incompetent] person, with the consent of the parent, guardian, or other person legally competent to consent in his behalf, or the treatment is administered in an emergency when the defendant believes that no one competent to consent can be consulted and that a reasonable person, wishing to safeguard the welfare of the patient, would consent.

Section 148. KRS 530.050 is amended to read as follows:

(1) A person is guilty of nonsupport when he persistently fails to provide support which he can reasonably provide and which he knows he has a duty to provide to a minor or *adjudged mentally disabled* [incompetent] child, indigent spouse or indigent parent.

(2) A person is guilty of flagrant nonsupport when he persistently fails to provide support which he can reasonably provide and which he knows he has a duty to provide by virtue of a court order to a minor or [incompetent] child *adjudged mentally disabled*, indigent spouse or indigent parent thereby leaving said dependent in destitute circumstances.

(3) A person has a duty to provide support for an indigent spouse and for a minor or [incompetent] child *adjudged mentally disabled* and, for purposes of this section, is presumed to know of that duty.

(4) Any person who is eighteen years of age or over, residing in this state and having in this state a parent who is destitute of means of subsistence and unable because of old age, infirmity, or illness to support himself or herself, has a duty to provide support for such parent and, for purposes of this section, is presumed to know of that duty.

(5) Nonsupport is a Class A misdemeanor.

(6) Flagrant nonsupport is a Class D felony.

Section 149. KRS 530.080 is amended to read as follows:

(1) A person is guilty of endangering the welfare of *a* [an incompetent] person *adjudged mentally disabled* when he knowingly acts in a manner which results in an injury to the physical or mental welfare of a person who is unable to care for himself because of mental disease or defect.

(2) Endangering the welfare of *a* [an incompetent] person *adjudged mentally disabled* is a Class A misdemeanor.

Section 150. The following KRS Sections are repealed:

387.010 Definitions.
387.035 Order of precedence for appointment of a committee.
387.210 Jurisdiction of district courts over persons of unsound mind and their committees — Bond of committee.
387.220 Inquest required for appointment of committee — Oath to jury — Functions of "visitor".
387.230 Powers and duties of committee — Personal charge may be given to another person — Compensation.
387.250 Leasing of mineral rights by committee.
387.260 Verification of claims against estate.
387.270 Interest charged guardian, committee or curator.
387.280 Handling of amount of not more than $5,000 due to person under disability.
387.281 Jurisdiction to appoint special committee to receive funds from governmental agency for support of indigents.
387.282 Petition for appointment of special committee.
387.283 Bond of special committee.
387.284 Powers of special committee — Accounts.
387.285 Compensation of special committee — Costs of settlement.
387.286 Application of other statutes.
387.287 Limited committee for mentally retarded person — Functions — Report.
387.288 Petition to change or modify committee.

HB 573. AN ACT relating to judicial retirement and making appropriations therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

(1) Cost-of-living adjustments in retirement benefits received under the judicial retirement system, to compensate in part for reduction in the purchasing power of the benefits that has occurred or does occur by reason of depreciation of the dollar subsequent to the granting of the benefits, shall be made in accordance with this section. The adjustments are to have a percentage relation to judicial salaries fixed as of July 1, 1976, and subsequently fixed, in recognition that those salaries correctly reflect cost-of-living changes in accordance with the consumer price index.

(2) As of July 1, 1980, and as of July 1 of each subsequent year, the Kentucky judicial retirement board shall recompute the benefits of persons then receiving benefits under the Kentucky judicial retirement system, as follows: If the "final compensation" that was used in computing the existing benefit, under KRS 21.400, 21.410, 21.420 or 21.425 is less than an amount equal to sixty percent (60%) of the current monthly salary of the office in which the retirement credit was earned, the latter amount shall be substituted, in the formula provided for in KRS 21.400, for the "final compensation" that was used in computing the existing benefit, and the benefit shall be recomputed accordingly. The recomputed benefit shall thereafter be paid, commencing as of the date specified for the recomputation, until the next annual recomputation in accordance with this section. For the purposes of the section, the following office equivalents shall be used: judge of former Court of Appeals - justice of Supreme Court; any position other than judge or justice that was covered by the judicial retirement system - judge of present Court of Appeals.

Section 2. There is appropriated to the judicial retirement board, out of the general fund in the state treasury, the sum of five hundred and eleven thousand dollars ($511,000) for each of the fiscal years 1980-81 and 1981-82, which sums shall be allotted to the board for payment and funding of the adjusted benefits provided for by this Act.

The Committee Substitute to **HB 573** is as follows:

HB 573, AN ACT relating to judicial retirement and making appropriations therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF THE KENTUCKY REVISED STATUTES IS ENACTED TO BE NUMBERED KRS 21.405 AND TO READ AS FOLLOWS:

As of July 1, 1980, the Kentucky judicial retirement board shall recompute the benefits of persons then receiving benefits under the Kentucky judicial retirement system, as follows: If the "final compensation" that was used in computing the existing benefit, under KRS 21.400, 21.410, 21.420 or 21.425, is less than an amount equal to forty-five percent (45%) of the current monthly salary of the office in which the retirement credit was earned, the latter amount shall be substituted, in the formula provided for in KRS 21.400, for the "final compensation" that was used in computing the existing benefit, and the benefit shall be recomputed accordingly; however, in no event shall the recomputed benefit exceed the original benefit by more than thirty-five percent (35%). The recomputed benefit shall thereafter be paid, commencing as of the date specified for the recomputation. For the purposes of this section, the following office equivalents shall be used: Judge of former court of appeals-justice of supreme court; any position other than judge or justice that was covered by the judicial retirement system-judge of present court of appeals. Any benefit being received on July 1, 1980 that was based on former KRS 23.340 shall be increased by thirty-five percent (35%) as of July 1, 1980.

Section 2. There is appropriated to the judicial retirement board, out of the general fund in the state treasury, the sum of $56,785 for each of the fiscal years 1980-81 and 1981-82, which sums shall be allotted to the board for payment and funding of the adjusted benefits provided for by this Act.

SB 249, AN ACT relating to estate and probate matters.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 24A.120 is amended to read as follows:

(1) District court shall have exclusive jurisdiction in:

(a) Civil cases in which the amount in controversy does not exceed one thousand five hundred dollars ($1,500), exclusive of interest and costs except matters affecting title to real estate and matters of equity; and

(b) Matters involving probate, except matters contested in an adversary proceeding. Such adversary proceeding shall be filed in circuit court in accordance with the Kentucky Rules of Civil Procedure and shall not be considered an appeal;

(c) Matters not provided for by statute to be commenced in circuit court shall be deemed to be non-adversarial within the meaning of paragraph (b) of this subsection and therefore are within the jurisdiction of the district court.

[(2) Papers relating to uncontested probate matters shall be filed in the office of the county clerk. In the event a probate matter is contested, the Supreme Court shall by rule provide for filing duplicate papers in circuit and county clerks' offices.]

Section 2. KRS 382.120 is amended to read as follows:

(1) Before any deed to real property, the title to which has passed to the grantor under the laws of descent, is filed for record the grantor or grantee, or the agent or attorney or either, shall present to the county clerk the affidavit of the grantor or any one of the heirs at law or next of kin of the ancestor of the grantor, or of two residents of this state, each of whom has personal knowledge of the facts, which affidavit shall set forth:

(a) The name of the ancestor;

(b) The date of the ancestor's death;

(c) Whether the ancestor was married or single, and if married, the name of the surviving *spouse and his or her address* [husband or wife];

(d) The place of residence at the time of the ancestor's death, if known to the affiant or affiants;

(e) The fact that the ancestor died intestate; and

(f) The names, ages and addresses, so far as known or ascertainable, of each of such ancestor's heir at law and next of kin, who by his death inherited such real property, and the relationship of each to the ancestor and the interest in such real property inherited by each.

(2) The affidavit shall be filed with the clerk of the county in which the real property is situated, at or before the time when the deed or conveyance is filed with the clerk for record, and shall be recorded in the record of deeds, and indexed in the general index of deeds in the name of such ancestor as grantor, and in the name of each of such heirs at law or next of kin as grantees, in the same manner as if such names occurred in a deed of conveyance from the ancestor to the heirs at law. For indexing and recording the affidavit, the clerk shall receive the same fees as are allowed for recording and indexing deeds.

(3) No county clerk or deputy clerk shall receive or permit to be lodged for record any such deed until the affidavit has been presented to him, but nothing in this section shall prevent the recording from being legal of any such deed lodged for record prior to the filing of the affidavit.

Section 3. KRS 386.170 is amended to read as follows:

(1) Where the beneficial owner of personal estate, held and controlled for his benefit or the benefit of his children or heirs by a trustee, is a nonresident of this state and has no trustee in this state, his trustee, appointed and qualified according to the laws of the place where the person resides, may collect, receive and remove to such place of residence any personal estate of the person or cestui que trust located in this state.

(2) Upon application by petition in a summary way, *the* [any] circuit court [in this state] having jurisdiction [to appoint a trustee for the nonresident person or cestui que trust] may authorize the foreign trustee to sue for, recover and remove any such personal estate of the nonresident cestui que trust, or to otherwise act as a trustee appointed in this state.

(3) The court shall not grant the petition or authorize the collection or removal of such property unless it is satisfied by documentary evidence that the foreign trustee has, where he qualified, given bond with good and sufficient surety to account for all the estate of the nonresident cestui que trust that might come to his hands, nor unless the court is satisfied that neither the nonresident cestui que trust nor any person having a present, future or contingent interest in the personal estate will be prejudiced by the order.

(4) The venue for such action shall lie in the county where there is jurisdiction in the district court to appoint a trustee for the nonresident person.

Section 4. KRS 387.070 is amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, no guardian can act until he has been appointed by the proper district court, and given bond to the state with good surety approved by the court to faithfully discharge the trust of guardian. The bond shall be carefully kept by the clerk of the district court in a book to be provided for that purpose.

(2) A [testamentary] guardian for nurture and education shall be exempt from the requirements of subsection (1) of this section.

(3) If the will of the father or mother so directs, the other parent being dead, no security shall be required from the guardian, unless from change of circumstances in the guardian since making the will or other cause the court deems it imprudent to dispense therewith.

(4) No master or other commissioner whose duty it is to settle the accounts of a guardian, nor judge or clerk of a court, or practicing attorney, shall be accepted as surety on the bond of a guardian.

(5) If the court fails to take a bond, or accepts persons as surety as do not satisfy it of their sufficiency, the judge so in default and his sureties shall be jointly and severally liable to the ward for any damage he may sustain thereby.

Section 5. KRS 387.170 is amended to read as follows:

(1) All amounts accruing under a lease permitted by KRS 387.150 shall be treated as income of the estate of the ward, and shall be held and accounted for as such by the guardian.

(2) Where dower or curtesy is outstanding in the mineral rights, but has not been assigned, *one-half* [one-third] of the income accruing under the lease shall be adjudged to the surviving spouse as his or her curtesy or dower, as provided by KRS 392.050. The remaining income shall be received by the guardian and held by him or disbursed for the ward's proper maintenance and education, pursuant to KRS 387.060.

(3) The guardian or his successor as such shall from time to time make settlements to the district court as provided by law.

(4) The leasehold estate, upon the death of the ward, without having disposed of the same in the manner authorized by law, shall descend to the *personal representative* [real representatives] of the ward for distribution among the decedent's heirs at law.

(5) Upon the minor becoming of age, the guardian shall make a final and complete settlement of all amounts received under the lease, and account for the same as herein and by law provided, and shall thereupon be discharged from further duty or accountability. Thereafter the rights and obligations of the former ward and the lessee shall be the same as if the lease had been executed originally to the lessee by a person over *eighteen (18)* [twenty-one] years of age and free from any disability.

Section 6. KRS 387.270 is amended to read as follows:

(1) If from any source a balance is owing by a guardian or committee at the end of any year, counting from the time of his appointment, which should have been invested [or loaned out] for the benefit of the ward in reasonable time but which remains in his hands, he shall be charged with interest from the end of the year in which the balance arose, and thereafter he shall be charged with interest compounded every two years.

(2) Guardians, curators and committees appointed and qualifying after June 24, 1906, shall be charged with the following rates of interest, to-wit: Where the amount received and held in trust does not exceed five thousand dollars, five percent; where the amount received and held in trust exceeds five thousand dollars, four percent. *However, in lieu of the foregoing those appointed and qualifying after July 15, 1980 shall be charged with the legal interest rate.*

(3) However, nothing in this section shall prohibit or prevent these fiduciaries from accounting for or being chargeable with sums in excess of the rates herein fixed realized upon any investment of trust funds made by the fiduciary.

Section 7. KRS 387.280 is amended to read as follows:

Whenever a person under disability, having no guardian or committee, is entitled to receive a sum not exceeding *ten thousand dollars ($10,000)* [$5,000], exclusive of interest, in any action wherein real estate has been sold or in the settlement of any estate or from any other source, the court in which the action is pending, or, if the sum does not derive from such action, the district court, may order the sum to be paid to the persons having custody of such ward. Before entering the order, the court shall be satisfied by affidavit or oral testimony that the ward is in the custody of the person to whom it is proposed to pay the money, and the latter, upon withdrawal of the money, shall be under obligation as trustee to expend it, for the support, maintenance or education of the ward. When the order is made no bond shall be required of the person having custody of the ward and the purchaser of the real property may pay the share into court, and no lien shall remain on the property therefor and the money may be withdrawn by the person mentioned in the order without his giving bond. A release executed by the person to whom the court has ordered the sum paid shall have the same effect as a release by a duly appointed guardian or committee.

Section 8. KRS 391.030 is amended to read as follows:

(1) Except as otherwise provided in this chapter, where any person dies intestate as to his personal estate, or any part thereof, *or such person's surviving spouse has renounced the decedent's will,* the surplus, after payment of funeral expenses, charges of administration and debts, shall pass and be distributed among the same persons, and in the proportions, to whom and in which real estate is directed to descend, except as follows:

(a) The personal estate of an infant shall be distributed as if he had died after full age.

(b) An alien may be distributee as though he were a citizen.

(c) Personal property or money on hand or in bank to the amount of *five thousand dollars ($5,000)* [$3,500] shall be exempt from distribution and sale and shall be set apart by the district court having jurisdiction over the estate on application to the surviving spouse, or, if there is no surviving spouse, to the infant children surviving.

(2) The surviving spouse of any deceased person may, at any time before the property or money is set apart by the court, procure on petition from the judge of the district court having jurisdiction over administration of his estate, an order authorizing him to withdraw from any bank or other depository not exceeding

one thousand dollars ($1000) belonging to the estate of the deceased. Upon presentation of the order, the bank or depository shall permit him to withdraw the sum and shall lodge the order, endorsing thereon the amount withdrawn, with the circuit clerk and he shall retain it in his files to be considered in connection with further proceedings in the estate and the withdrawal shall be treated as a charge against the property of the estate exempt from distribution.

(3) In the application for the setting apart of property or money under this section the surviving spouse may make his selection out of the personal property of the estate to the extent that the value of the property selected does not exceed the amount of *five thousand dollars ($5,000)* [thirty-five hundred dollars ($3,500)].

(4) This section applies to cases where the husband or wife dies testate and the surviving spouse renounces the provisions of the will as provided in KRS 392.080 *and also under circumstances set out in KRS 395.455.*

Section 9. KRS 394.095 is amended to read as follows:

Every will shall be revoked by the divorce of the person who made the will, except a will made in exercise of a power of appointment when the estate thereby appointed would not, in default of such appointment, pass to the heir, personal representative, or next of kin of the person who made the will, *and except a will which made no bequest or devise to the former spouse.*

SECTION 10. A NEW SECTION OF KRS CHAPTER 394 IS CREATED TO READ AS FOLLOWS:

(1) A person, or the representative of an incapacitated person or protected person, who is a grantee, donee, surviving joint tenant, person succeeding to a disclaimed interest, beneficiary under a nontestamentary instrument or contract, or appointee under a power of appointment exercised by a nontestamentary instrument, may disclaim in whole or in part the right of transfer to him of any property, or interest therein by delivering or filing a written disclaimer under this section. A surviving joint tenant may disclaim as a separate interest any property or interest therein devolving to him by right or survivorship. A surviving joint tenant may disclaim the entire interest in any property, or interest therein, that is the subject of a joint tenancy devolving to him, if the joint tenancy was created by act of a deceased joint tenant, if the survivor did not join in creating the joint tenancy and he has not accepted a benefit thereunder. The right to disclaim shall survive the death of the person having it and may be exercised by the personal representative of such person's estate. The disclaimer shall describe the property or interest therein disclaimed, declare the disclaimer and extent thereof, and be signed by the disclaimant.

(2) (a) An instrument disclaiming a present interest shall be delivered or filed no later than nine (9) months after the effective date of the nontestamentary instrument or contract; and a future interest shall be delivered or filed not later than nine (9) months after the event determining that the taker of the property or interest is finally ascertained and his interest is indefeasibly vested. If the person entitled to disclaim does not have actual knowledge of the existence of the interest the instrument shall be delivered or filed not later than nine (9) months after he has actual knowledge of the existence of the interest. The effective date of a revocable instrument or contract is the date on which the maker no longer has power to revoke it or to transfer to himself or another the entire legal and equitable ownership of the interest.

(b) The disclaimer or a copy thereof shall be delivered in person or mailed by registered or certified mail to the transferor or his representative or to the trustee or other person having legal title to, or possession of, the property or interest disclaimed. If real property or an interest therein is disclaimed, a copy of the instrument may be filed for record in the office of the county clerk of the county in which the real estate is situated.

(3) Unless the nontestamentary instrument or contract provides for another disposition, the property or interest therein disclaimed shall devolve as if the disclaimant had died before the effective date of the instrument or contract. A disclaimer relates back for all purposes to that date. A future interest that takes effect in possession or enjoyment at or after the termination of the disclaimed interest takes effect as if the disclaimant had died before the effective date of the instrument or contract that transferred the disclaimed interest.

(4) (a) The right to disclaim property or an interest therein is barred by an assignment, conveyance, encumbrance, pledge, or transfer of the property or interest, or a contract therefor, a written waiver of the right to disclaim, an acceptance of the property or interest or benefit thereunder, or a sale of the property or interest under judicial sale made before the disclaimer is effected.

(b) The right to disclaim exists notwithstanding any limitation on the interest of the disclaimant in the nature of a spendthrift provision or similar restriction.

(c) The instrument of disclaimer or the written waiver of the right to disclaim is binding upon the disclaimant or person waiving and all persons claiming through or under him.

(5) This section does not abridge the right of a person to waive, release, disclaim, or renounce property or an interest therein under any other statute.

(6) An interest in property existing on the effective date of this section as to which, if a present interest, the time for filing a disclaimer under this section has not expired, or if a future interest, the interest

has not become indefeasibly vested or the taker finally ascertained, may be disclaimed within nine (9) months after the effective date of this section.

(7) This section shall be applied and construed to effectuate its general purpose to make uniform the law with respect to the subject of this section among states enacting it.

(8) This section may be cited as the uniform disclaimer of transfers under nontestamentary instruments section.

Section 11. KRS 394.225 is amended to read as follows:

An attested will may, at the time of its execution or at any subsequent date, be made self-proved, by the acknowledgment thereof by the testator and the affidavits of the witnesses, each made before an officer authorized to administer oaths under the laws of this State, and evidenced by the officer's certificate, [under official seal,] attached or annexed to the will in form and content substantially as follows:

THE STATE OF ....
COUNTY OF ....

Before me, the undersigned authority, on this day personally appeared .... and .... known to me to be the testator and the *witnesses* [witness], respectively, whose names are signed to the attached or foregoing instrument and, all of these persons being by me first duly sworn .... the testator, declared to me and to the witnesses in my presence that the instrument is his last will and that he had willingly signed or directed another to sign for him, and that he executed it as his free and voluntary act for the purposes therein expressed; and each of the witnesses stated to me, in the presence and hearing of the testator, that he signed the will as witness and that to the best of his knowledge the testator was eighteen years of age or over, of sound mind and under no constraint or undue influence.

....
(Testator)
....
(Witness)
....
(Witness)
....
(Witness)

Subscribed, sworn and acknowledged before me by ...., the testator, subscribed and sworn before me by .... and ...., witnesses, this .... day of ......, A.D., ...

....
(OFFICIAL CAPACITY OF OFFICER)

A self-proved will may be admitted to probate without the testimony of any subscribing witness, but otherwise treated no differently from a will not self-proved.

Section 12. KRS 394.240 is amended to read as follows:

(1) Any person aggrieved by the action of the district court in admitting a will to record or rejecting it may bring an original action in the circuit court of the same county to contest the action of the district court. Such action shall be brought within two (2) years after the decision of the district court. The parties may, in the same action, or in a separate action if the validity of the will is not in issue, seek construction, interpretation or reformation of a will.

(2) Upon filing *an adversary proceeding in circuit court in matters involving probate whether in a testate or intestate proceeding or* an action pursuant to subsection (1) of this section, the plaintiff shall forthwith lodge a notice of the action in the office of the county clerk of the county in which the will was admitted to probate or rejected, *or if in an intestate estate in the office of the county clerk of the county in which the estate was probated.* Such notice shall state the name of the testator, the style of the action, the court in which the action has been filed, the file number assigned to the action by the clerk of the court in which it has been filed, the nature of the action, and the date on which the action was commenced. Said notice shall be signed by plaintiff or his attorney and no jurat shall be necessary. The county clerk shall record and index said notice as if it were a will.

Section 13. KRS 394.260 is amended to read as follows:

When the proceeding is taken to the circuit court, all necessary parties shall be brought before the court by the plaintiff. The final decision given shall, subject to appeal to the court of appeals, be a bar to any other proceeding *calling* [to call] the probate or rejection of the will in question. This section does not preclude a court of justice from its jurisdiction to impeach such final decision for any reason that would give it jurisdiction over any other judgment at law.

Section 14. KRS 394.295 is amended to read as follows:

The court in which a judgment has been rendered shall have power to vacate or modify it when any paper purporting to be the last will of any person has been, or may be hereafter admitted to probate, and a later will has been discovered. A judgment on this ground, however, shall not be vacated or modified, unless proceedings to that end shall be instituted within *ten (10)* [twenty-five] years after the death of the testator.

If the earlier will shall have been established by judgment of the circuit court, the proceedings to vacate shall be instituted in the circuit court. The proceedings to vacate shall be by petition to which all persons interested in the earlier will shall be made defendants. Otherwise, the proceedings to vacate shall be instituted in the district court. Provided, however, that a judgment on the ground herein named shall not be vacated or modified until the validity of such later will has been determined in such proceedings. When such former judgment has been vacated or modified such later will shall be admitted to probate in the manner and under the laws governing the probation of wills before the expiration of five years. The judgment establishing such later will and vacating the judgment establishing the former will shall be without prejudice to the vested rights of innocent third parties. The court in which relief is sought for the reasons herein set out, may enter such orders as may be necessary to protect the rights of the parties during the pendency of the proceedings.

Section 15. KRS 394.300 is amended to read as follows:

(1) Every will or authenticated copy admitted to record by any court shall be recorded by the county clerk, and remain in his office, except during such time as it may be carried to another court under subpoena duces tecum.

(2) (a) A will probated in the court of one (1) county and recorded in the office of the county clerk for that county may be recorded in the office of the county clerk for other counties without the process of probate in the other county.

(b) Production of an attested copy of the will together with an attested copy of the order of probate shall be required by the county clerk of the other county before recordation.

(c) The clerk shall make the same charge for recordation as is otherwise provided for recording a will.

Section 16. KRS 394.520 is amended to read as follows:

If no time is fixed for the payment of a specific pecuniary legacy, it shall be payable one year after the *probate of the will* [testator's death], and carry interest after due.

Section 17. KRS 394.610 is amended to read as follows:

A person, or the representative of an incapacitated or protected person, who is an heir, next of kin, devisee, legatee, person succeeding to a disclaimed interest, beneficiary under a testamentary instrument, or appointee under a power of appointment exercised by a testamentary instrument, may disclaim in whole or in part the right of succession to any property or interest therein, including a future interest, by filing a written disclaimer under KRS 394.610 to 394.670. The right to disclaim *shall* [does not] survive the death of the person having it *and may be exercised by the personal representative of such person's estate.* The instrument shall (1) describe the property or interest disclaimed, (2) declare the disclaimer and extent thereof, and (3) be signed by the disclaimant.

Section 18. KRS 394.620 is amended to read as follows:

(1) An instrument disclaiming a present interest shall be filed not later than *nine (9)* [six] months after the death of the decedent or the donee of the power.

(2) An instrument disclaiming a future interest shall be filed not later than *nine (9)* [six] months after the event that determines that the taker of the property or interest is finally ascertained and his interest indefeasibly vested.

(3) The disclaimer shall be filed in the district court of the county in which proceedings have been commenced for the administration of the estate of the deceased owner or deceased donee of the power or, if they have not been commenced, in which they could be commenced. A copy of the disclaimer shall be delivered in person or mailed by registered or certified mail to any personal representative, or other fiduciary of the decedent or donee of the power. If real property or an interest therein is disclaimed, a copy of the disclaimer may be recorded in the office of the county clerk of the county in which the real estate is situated.

Section 19. KRS 395.005 is amended to read as follows:

The following persons may be appointed as fiduciary:

(1) Any resident of the State of Kentucky, [including married women,] over eighteen years of age, *except as set out in KRS 395.080,* and any national bank located in Kentucky having fiduciary powers and any state bank or trust company incorporated under the laws of the State of Kentucky and authorized by law to act as fiduciary.

(2) Any nonresident of legal age who is *as to the decedent, ward, or incompetent, related by consanguinity, marriage, adoption or the spouse of such person so related*[:

(a) The spouse of the decedent;

(b) Related to the decedent by consanguinity;

(c) The spouse of a person related to the decedent by consanguinity;

(d) The father, mother, brother, or sister of the spouse of decedent; or

(e) The legally adopted child or adoptive parent of decedent].

Section 20. KRS 395.010 is amended to read as follows:

Original administration shall not be granted after the expiration of *ten (10)* [twenty] years from the death of the testator or intestate and if made after that time, it shall be void.

Section 21. KRS 395.195 is amended to read as follows:

Except as restricted or otherwise provided by the will, or by KRS 395.200, a personal representative, acting reasonably for the benefit of the interested persons, may properly:

(1) Retain assets owned by the decedent pending distribution or liquidation including those in which the representative is personally interested or which are otherwise improper for trust investment;

(2) Receive assets from fiduciaries, or other sources;

(3) Perform, compromise or refuse performance for proper cause of the decedent's contracts that continue as obligations of the estate, as he may determine under the circumstances;

(4) Satisfy written charitable pledges of the decedent irrespective of whether the pledges constituted binding obligations of the decedent or were properly presented as claims, if in the judgment of the personal representative the decedent would have wanted the pledges completed under the circumstances;

(5) If funds are not needed to meet debts and expenses currently payable and are not immediately distributable, deposit or invest liquid assets of the estate, including moneys received from the sale of other assets, in federally insured interest-bearing accounts, readily marketable secured loan arrangements or other prudent investments which would be reasonable for use by trustees generally;

(6) Acquire or dispose of an asset, other than land, for cash or on credit, at public or private sale; and manage, exchange, or change the character of an estate asset;

(7) Enter for any purpose into a lease for personal property as lessor or lessee, with or without option to purchase or renew, for a term within or extending beyond the period of administration;

(8) Abandon personal property when, in the opinion of the personal representative, it is valueless, or is so encumbered, or is in such condition that it is of no benefit to the estate;

(9) Vote stocks or other securities in person or by general or limited proxy;

(10) Pay calls, assessments, and other sums chargeable or accruing against or on account of securities, unless barred by the provisions relating to claims;

(11) Hold a security in the name of a nominee or in other form without disclosure of the interest of the estate but the personal representative is liable for any act of the nominee in connection with the security so held;

(12) Insure the assets of the estate against damage, loss and liability and himself against liability as to third persons;

(13) Borrow money with or without security to be repaid from the probatable assets or otherwise; and advance money for the protection of the estate;

(14) Effect a fair and reasonable compromise with any debtor or obligor, or extend, renew or in any manner modify the terms of any obligation owing to the estate. If the personal representative holds a mortgage, pledge or other lien upon property of another person, he may, in lieu of foreclosure, accept a conveyance or transfer of encumbered assets from the owner thereof in satisfaction of the indebtedness secured by lien;

(15) Pay taxes, assessments, compensation of the personal representative, and other expenses incident to the administration of the estate;

(16) Sell or exercise stock subscription or conversion rights; consent, directly or through a committee or other agent, to the reorganization, consolidation, merger, dissolution, or liquidation of a corporation or other business enterprise;

(17) Allocate items of income or expense to either estate income or principal, as permitted or provided by law;

(18) Employ persons, including attorneys, auditors, investment advisors, or agents, to advise or assist the personal representative in the performance of his administrative duties; act without independent investigation upon their recommendations; and instead of acting personally, employ one or more agents to perform any act of administration, whether or not discretionary;

(19) Prosecute or defend claims, or proceedings in any jurisdiction for the protection of the estate and of the personal representative in the performance of his duties;

(20) Sell or mortgage any personal property or any interest therein for cash, credit, or for part cash and part credit, and with or without security for unpaid balances;

(21) Provide for exoneration of the personal representative from personal liability in any contract entered into on behalf of the estate;

(22) Satisfy, [and] settle *or compromise* claims and distribute the estate as provided by law.

Section 22. KRS 395.197 is amended to read as follows:

The powers set forth in KRS 395.195 and 395.196 shall not be effective as to wills executed *or personal representatives appointed and qualifying* prior to June 19, 1976[, nor to personal representatives].

Section 23. KRS 395.420 is amended to read as follows:

(1) A curator appointed under subsection (1) of KRS 395.410 shall collect and safely keep the estate of the decedent, and make and return to court, within *sixty (60) days* [three months], a full and complete inventory of the estate and deliver up the estate, when required, to the executor or administrator. He may pay debts, sue and be sued and sell perishable and other goods.

(2) A curator appointed under subsection (2) of KRS 395.410 shall collect and safely keep the estate of an absent person; make and return to the court, within *sixty (60) days* [three months], a full and complete inventory of the estate and deliver up the estate, including the income from the estate, when required, to the absent person upon his return, or to the executor or administrator, when one is appointed. He may pay debts, sue and be sued, invest or reinvest any funds coming into his hands and sell perishable and other goods.

Section 24. KRS 395.605 is amended to read as follows:

(1) Upon the sworn application of any fiduciary, that the fiduciary is the sole beneficiary of any estate, the court may dispense with the requirements of this chapter regarding settlement of fiduciaries accounts and may dispense with the requirements of a surety for the fiduciary and shall accept from the fiduciary an informal settlement. The informal settlement shall be made, under oath, by the fiduciary and shall state that the estate was solvent; that all legal claims and debts have been paid, or if not paid, the manner in which said claims and debts have been provided for; that all inheritance, estate or similar death taxes have been paid and a duplicate or photocopy of such tax releases shall be attached, if available; that all court costs have been paid; the name of the attorney(s), if any, representing the fiduciary, and the amount of the attorney's fee, and that the beneficiary has received his share. An informal settlement may be filed at any time after *expiration of six (6) months from the fiduciary's appointment* [the period for filing claims against decedent's estate has elapsed, subject to the requirements of time for filing settlements as set out in this chapter]. Upon the filing of the informal settlement, the court may enter an order discharging the fiduciary, and his surety, if any. When a settlement is effected in the informal manner, no notice to any person shall be required nor shall the court be compelled to inquire into detailed items of income or disbursements.

(2) If a proposed settlement of a fiduciary is accompanied by a verified waiver executed by all of the beneficiaries of an estate, and none of the beneficiaries is under a disability, the court shall accept from the fiduciary an informal settlement which meets the requirements of subsection (1) of this section. The court may require the fiduciary to execute bond with or without surety to insure the application of the estate assets to the debts of the decedent.

(3) In the event that one or more of the beneficiaries of the estate is under a disability, the court may allow the filing of an informal settlement if the court is of the opinion that the best interests of the person under the disability would be served.

Section 25. KRS 395.610 is amended to read as follows:

(1) *Two (2) years* [One (1) year] after appointment and annually thereafter, unless otherwise provided by law, every fiduciary as defined in KRS 395.001, other than a testamentary trustee, must render an account of the execution of his trust to the court by which he was appointed, including in such account an itemized statement of receipts and disbursements supported by vouchers accompanying the same and a statement of all investments on hand and changes in investments since the filing of his last account. Provided, however, that guardians and committees [and trustees under continuing trust], after their first accounting, shall render their accounts thereafter biennially, or at shorter intervals if the court shall require it. Such settlements, when approved and confirmed by the court, shall be recorded and indexed by the clerk, and the original and the vouchers carefully kept by him in his office. An account shall be rendered by the fiduciary at any other time upon order of the court upon its own motion or that of any person interested in the trust, for good cause shown on affidavit. At the expiration of his trust such fiduciary must fully account for and pay over the trust estate to the person or persons entitled thereto. Every such account shall list all unpaid creditors whose claims have been allowed and all creditors whose claims have been disallowed. No account of a fiduciary except of corporate fiduciaries under the supervision of state or federal banking authorities shall be approved until there are exhibited to the court, for its examination, the security or securities shown in said account as being in the hands of the fiduciary, or the certificate of a bank having possession thereof or in which they have been deposited for safekeeping, and a certified bank statement showing the funds to the credit of the trust.

(2) Testamentary trustees shall not be required to render accountings to the court under the provisions of this section. However, trustees may be required to file accounts pursuant to judicial proceedings under KRS 386.675.

SECTION 26. A NEW SECTION OF KRS CHAPTER 396 IS CREATED TO READ AS FOLLOWS:

When a claim against an estate has been rejected in whole or in part in writing or when a claim has been allowed in whole or in part and thereafter rejected in writing, the claimant must commence an action on the claim or that part thereof rejected within two (2) months after such rejection if the debt or that part thereof rejected is then due, or be forever barred from maintaining an action thereon. If the executor or administrator dies, resigns or is removed within such two-months' period before action is commenced thereon, the action may be commenced within two (2) months after the appointment of a successor.

Section 27. KRS 401.010 is amended to read as follows:

Any person at least eighteen years of age may have his name changed *for good cause* by the district court of the county in which he resides. If he resides on a United States army post, military reservation or fort his name may be changed by the district court of any county adjacent thereto.

Section 28. KRS 401.020 is amended to read as follows:

Both parents, provided both are living, or one (1) parent if one (1) is deceased [A parent], or if no parent is living, the guardian, may have the name of a child under the age of eighteen changed by the district court of the county in which the child resides. *However, if one (1) parent refuses or is unavailable to execute the petition, proper notice of filing the petition shall be served in accordance with the rules of civil procedure.* If the child resides on a United States army post, military reservation or fort his name may be changed by the district court of any county adjacent thereto.

Section 29. KRS 413.230 is amended to read as follows:

A surety for an executor, administrator, guardian or curator, or for a sheriff to whom a decedent's estate has been transferred, shall be discharged from all liability to a distributee, devisee or ward when *five (5)* [two] years have elapsed without suit after the cause of action accrued, and after the devisee, distributee or ward attained full age. But the failure of one to commence action in time shall not affect the right of another.

Section 30. KRS 424.340 is amended to read as follows:

The *circuit* [county] clerk shall, at least once each month, cause to be published in the newspaper meeting the requirements of KRS 424.120, a notice setting forth all fiduciary appointments made since the last publication and including at least the following information: the name and address of the decedent or ward, the name and address of the fiduciary, the date of the fiduciary's appointment, and the date by which claims of creditors must be filed. The clerk may charge each fiduciary a fee not to exceed the actual proportionate cost of said notice. Publication of this notice shall neither enlarge nor reduce the obligation of a creditor to present a timely claim, nor the liability of the fiduciary or distributee to pay the same.

Section 31. KRS 394.320, Devisee may disclaim by deed, is repealed.

The Committee Substitute to **SB 249** is as follows:

House Committee Substitute for **SB 249,** AN ACT relating to estate and probate matters.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 24A.120 is amended to read as follows:

(1) District court shall have exclusive jurisdiction in:

(a) Civil cases in which the amount in controversy does not exceed one thousand five hundred dollars ($1,500), exclusive of interest and costs except matters affecting title to real estate and matters of equity; and

(b) Matters involving probate, except matters contested in an adversary proceeding. Such adversary proceeding shall be filed in circuit court in accordance with the Kentucky Rules of Civil Procedure and shall not be considered an appeal;

(c) Matters not provided for by statute to be commenced in circuit court shall be deemed to be non-adversarial within the meaning of paragraph (b) of this subsection and therefore are within the jurisdiction of the district court.

[(2) Papers relating to uncontested probate matters shall be filed in the office of the county clerk. In the event a probate matter is contested, the Supreme Court shall by rule provide for filing duplicate papers in circuit and county clerks' offices.]

Section 2. KRS 382.120 is amended to read as follows:

(1) Before any deed to real property, the title to which has passed to the grantor under the laws of descent, is filed for record the grantor or grantee, or the agent or attorney or either, shall present to the county clerk the affidavit of the grantor or any one of the heirs at law or next of kin of the ancestor of the grantor, or of two residents of this state, each of whom has personal knowledge of the facts, which affidavit shall set forth:

(a) The name of the ancestor;

(b) The date of the ancestor's death;

(c) Whether the ancestor was married or single, and if married, the name of the surviving *spouse and his or her address* [husband or wife];

(d) The place of residence at the time of the ancestor's death, if known to the affiant or affiants;

(e) The fact that the ancestor died intestate; and

(f) The names, ages and addresses, so far as known or ascertainable, of each of such ancestor's heir at law and next of kin, who by his death inherited such real property, and the relationship of each to the ancestor and the interest in such real property inherited by each.

(2) The affidavit shall be filed with the clerk of the county in which the real property is situated, at or before the time when the deed or conveyance is filed with the clerk for record, and shall be recorded in the record of deeds, and indexed in the general index of deeds in the name of such ancestor as grantor, and in the name of each of such heirs at law or next of kin as grantees, in the same manner as if such names occurred in a deed of conveyance from the ancestor to the heirs at law. For indexing and recording the affidavit, the clerk shall receive the same fees as are allowed for recording and indexing deeds.

(3) No county clerk or deputy clerk shall receive or permit to be lodged for record any such deed until the affidavit has been presented to him, but nothing in this section shall prevent the recording from being legal of any such deed lodged for record prior to the filing of the affidavit.

Section 3. KRS 386.170 is amended to read as follows:

(1) Where the beneficial owner of personal estate, held and controlled for his benefit or the benefit of his children or heirs by a trustee, is a nonresident of this state and has no trustee in this state, his trustee, appointed and qualified according to the laws of the place where the person resides, may collect, receive and remove to such place of residence any personal estate of the person or cestui que trust located in this state.

(2) Upon application by petition in a summary way, *the* [any] circuit court [in this state] having jurisdiction [to appoint a trustee for the nonresident person or cestui que trust] may authorize the foreign trustee to sue for, recover and remove any such personal estate of the nonresident cestui que trust, or to otherwise act as a trustee appointed in this state.

(3) The court shall not grant the petition or authorize the collection or removal of such property unless it is satisfied by documentary evidence that the foreign trustee has, where he qualified, given bond with good and sufficient surety to account for all the estate of the nonresident cestui que trust that might come to his hands, nor unless the court is satisfied that neither the nonresident cestui que trust nor any person having a present, future or contingent interest in the personal estate will be prejudiced by the order.

(4) The venue for such action shall lie in the county where there is jurisdiction in the district court to appoint a trustee for the nonresident person.

Section 4. KRS 387.070 is amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, no guardian can act until he has been appointed by the proper district court, and given bond to the state with good surety approved by the court to faithfully discharge the trust of guardian. The bond shall be carefully kept by the clerk of the district court in a book to be provided for that purpose.

(2) A [testamentary] guardian for nurture and education shall be exempt from the requirements of subsection (1) of this section.

(3) If the will of the father or mother so directs, the other parent being dead, no security shall be required from the guardian, unless from change of circumstances in the guardian since making the will or other cause the court deems it imprudent to dispense therewith.

(4) No master or other commissioner whose duty it is to settle the accounts of a guardian, nor judge or clerk of a court, or practicing attorney, shall be accepted as surety on the bond of a guardian.

(5) If the court fails to take a bond, or accepts persons as surety as do not satisfy it of their sufficiency, the judge so in default and his sureties shall be jointly and severally liable to the ward for any damage he may sustain thereby.

Section 5. KRS 387.170 is amended to read as follows:

(1) All amounts accruing under a lease permitted by KRS 387.150 shall be treated as income of the estate of the ward, and shall be held and accounted for as such by the guardian.

(2) Where dower or curtesy is outstanding in the mineral rights, but has not been assigned, *one-half* [one-third] of the income accruing under the lease shall be adjudged to the surviving spouse as his or her curtesy or dower, as provided by KRS 392.050. The remaining income shall be received by the guardian and held by him or disbursed for the ward's proper maintenance and education, pursuant to KRS 387.060.

(3) The guardian or his successor as such shall from time to time make settlements to the district court as provided by law.

(4) The leasehold estate, upon the death of the ward, without having disposed of the same in the manner authorized by law, shall descend to the *personal representative* [real representatives] of the ward for distribution among the decedent's heirs at law.

(5) Upon the minor becoming of age, the guardian shall make a final and complete settlement of all amounts received under the lease, and account for the same as herein and by law provided, and shall thereupon be discharged from further duty or accountability. Thereafter the rights and obligations of the former ward and the lessee shall be the same as if the lease had been executed originally to the lessee by a person over *eighteen (18)* [twenty-one] years of age and free from any disability.

Section 6. KRS 387.270 is amended to read as follows:

(1) If from any source a balance is owing by a guardian or committee at the end of any year, counting from the time of his appointment, which should have been invested [or loaned out] for the benefit of the ward in reasonable time but which remains in his hands, he shall be charged with interest from the end of the year in which the balance arose, and thereafter he shall be charged with interest compounded every two years.

(2) Guardians, curators and committees appointed and qualifying after June 24, 1906, shall be charged with the following rates of interest, to-wit: Where the amount received and held in trust does not exceed five thousand dollars, five percent; where the amount received and held in trust exceeds five thousand dollars, four percent. *However, in lieu of the foregoing those appointed and qualifying after July 15, 1980 shall be charged with the legal interest rate.*

(3) However, nothing in this section shall prohibit or prevent these fiduciaries from accounting for or being chargeable with sums in excess of the rates herein fixed realized upon any investment of trust funds made by the fiduciary.

Section 7. KRS 387.280 is amended to read as follows:

Whenever a person under disability, having no guardian or committee, is entitled to receive a sum not exceeding *ten thousand dollars ($10,000)* [$5,000], exclusive of interest, in any action wherein real estate has been sold or in the settlement of any estate or from any other source, the court in which the action is pending, or, if the sum does not derive from such action, the district court, may order the sum to be paid to the persons having custody of such ward. Before entering the order, the court shall be satisfied by affidavit or oral testimony that the ward is in the custody of the person to whom it is proposed to pay the money, and the latter, upon withdrawal of the money, shall be under obligation as trustee to expend it, for the support, maintenance or education of the ward. When the order is made no bond shall be required of the person having custody of the ward and the purchaser of the real property may pay the share into court, and no lien shall remain on the property therefor and the money may be withdrawn by the person mentioned in the order without his giving bond. A release executed by the person to whom the court has ordered the sum paid shall have the same effect as a release by a duly appointed guardian or committee.

Section 8. KRS 391.030 is amended to read as follows:

(1) Except as otherwise provided in this chapter, where any person dies intestate as to his personal estate, or any part thereof, *or such person's surviving spouse has renounced the decedent's will,* the surplus, after payment of funeral expenses, charges of administration and debts, shall pass and be distributed among the same persons, and in the proportions, to whom and in which real estate is directed to descend, except as follows:

(a) The personal estate of an infant shall be distributed as if he had died after full age.

(b) An alien may be distributee as though he were a citizen.

(c) Personal property or money on hand or in bank to the amount of *five thousand dollars ($5,000)* [$3,500] shall be exempt from distribution and sale and shall be set apart by the district court having jurisdiction over the estate on application to the surviving spouse, or, if there is no surviving spouse, to the infant children surviving.

(2) The surviving spouse of any deceased person may, at any time before the property or money is set apart by the court, procure on petition from the judge of the district court having jurisdiction over administration of his estate, an order authorizing him to withdraw from any bank or other depository not exceeding one thousand dollars ($1000) belonging to the estate of the deceased. Upon presentation of the order, the bank or depository shall permit him to withdraw the sum and shall lodge the order, endorsing thereon the amount withdrawn, with the circuit clerk and he shall retain it in his files to be considered in connection with further proceedings in the estate and the withdrawal shall be treated as a charge against the property of the estate exempt from distribution.

(3) In the application for the setting apart of property or money under this section the surviving spouse may make his selection out of the personal property of the estate to the extent that the value of the property selected does not exceed the amount of *five thousand dollars ($5,000)* [thirty-five hundred dollars ($3,500)].

(4) This section applies to cases where the husband or wife dies testate and the surviving spouse renounces the provisions of the will as provided in KRS 392.080 *and also under circumstances set out in KRS 395.455.*

Section 9. KRS 394.095 is amended to read as follows:

Every will shall be revoked by the divorce of the person who made the will, except a will made in exercise of a power of appointment when the estate thereby appointed would not, in default of such appointment, pass to the heir, personal representative, or next of kin of the person who made the will, *and except a will which made no bequest or devise to the former spouse.*

SECTION 10. A NEW SECTION OF KRS CHAPTER 394 IS CREATED TO READ AS FOLLOWS:

(1) A person, or the representative of an incapacitated person or protected person, who is a grantee, donee, surviving joint tenant, person succeeding to a disclaimed interest, beneficiary under a nontestamentary

instrument or contract, or appointee under a power of appointment exercised by a nontestamentary instrument, may disclaim in whole or in part the right of transfer to him of any property, or interest therein by delivering or filing a written disclaimer under this section. A surviving joint tenant may disclaim as a separate interest any property or interest therein devolving to him by right of survivorship. A surviving joint tenant may disclaim the entire interest in any property, or interest therein, that is the subject of a joint tenancy devolving to him, if the joint tenancy was created by act of a deceased joint tenant, if the survivor did not join in creating the joint tenancy and he has not accepted a benefit thereunder. The right to disclaim shall survive the death of the person having it and may be exercised by the personal representative of such person's estate. The disclaimer shall describe the property or interest therein disclaimed, declare the disclaimer and extent thereof, and be signed by the disclaimant.

(2) (a) An instrument disclaiming a present interest shall be delivered or filed no later than nine (9) months after the effective date of the nontestamentary instrument or contract; and a future interest shall be delivered or filed not later than nine (9) months after the event determining that the taker of the property or interest is finally ascertained and his interest is indefeasibly vested. If the person entitled to disclaim does not have actual knowledge of the existence of the interest the instrument shall be delivered or filed not later than nine (9) months after he has actual knowledge of the existence of the interest. The effective date of a revocable instrument or contract is the date on which the maker no longer has power to revoke it or to transfer to himself or another the entire legal and equitable ownership of the interest.

(b) The disclaimer or a copy thereof shall be delivered in person or mailed by registered or certified mail to the transferor or his representative or to the trustee or other person having legal title to, or possession of, the property or interest disclaimed. If real property or an interest therein is disclaimed, a copy of the instrument may be filed for record in the office of the county clerk of the county in which the real estate is situated.

(3) Unless the nontestamentary instrument or contract provides for another disposition, the property or interest therein disclaimed shall devolve as if the disclaimant had died before the effective date of the instrument or contract. A disclaimer relates back for all purposes to that date. A future interest that takes effect in possession or enjoyment at or after the termination of the disclaimed interest takes effect as if the disclaimant had died before the effective date of the instrument or contract that transferred the disclaimed interest.

(4) (a) The right to disclaim property or an interest therein is barred by an assignment, conveyance, encumbrance, pledge, or transfer of the property or interest, or a contract therefor, a written waiver of the right to disclaim, an acceptance of the property or interest or benefit thereunder, or a sale of the property or interest under judicial sale made before the disclaimer is effected.

(b) The right to disclaim exists notwithstanding any limitation on the interest of the disclaimant in the nature of a spendthrift provision or similar restriction.

(c) The instrument of disclaimer or the written waiver of the right to disclaim is binding upon the disclaimant or person waiving and all persons claiming through or under him.

(5) This section does not abridge the right of a person to waive, release, disclaim, or renounce property or an interest therein under any other statute.

(6) An interest in property existing on the effective date of this section as to which, if a present interest, the time for filing a disclaimer under this section has not expired, or if a future interest, the interest has not become indefeasibly vested or the taker finally ascertained, may be disclaimed within nine (9) months after the effective date of this section.

(7) This section shall be applied and construed to effectuate its general purpose to make uniform the law with respect to the subject of this section among states enacting it.

(8) This section may be cited as the uniform disclaimer of transfers under nontestamentary instruments section.

Section 11. KRS 394.225 is amended to read as follows:

An attested will may, at the time of its execution or at any subsequent date, be made self-proved, by the acknowledgment thereof by the testator and the affidavits of the witnesses, each made before an officer authorized to administer oaths under the laws of this State, and evidenced by the officer's certificate, [under official seal,] attached or annexed to the will in form and content substantially as follows:

THE STATE OF ....
COUNTY OF ....

Before me, the undersigned authority, on this day personally appeared .... and .... known to me to be the testator and the *witnesses* [witness], respectively, whose names are signed to the attached or foregoing instrument and, all of these persons being by me first duly sworn .... the testator, declared to me and to the witnesses in my presence that the instrument is his last will and that he had willingly signed or directed another to sign for him, and that he executed it as his free and voluntary act for the purposes therein expressed; and each of the witnesses stated to me, in the presence and hearing of the testator, that he signed the will as witness and that to the best of his knowledge the testator was eighteen years of age or over, of sound mind and under no constraint or undue influence.

....
(Testator)

....
(Witness)

....
(Witness)

....
(Witness)

Subscribed, sworn and acknowledged before me by ...., the testator, subscribed and sworn before me by .... and ...., witnesses, this .... day of ......, A.D., ...

....
(OFFICIAL CAPACITY OF OFFICER)

A self-proved will may be admitted to probate without the testimony of any subscribing witness, but otherwise treated no differently from a will not self-proved.

Section 12. KRS 394.240 is amended to read as follows:

(1) Any person aggrieved by the action of the district court in admitting a will to record or rejecting it may bring an original action in the circuit court of the same county to contest the action of the district court. Such action shall be brought within two (2) years after the decision of the district court. The parties may, in the same action, or in a separate action if the validity of the will is not in issue, seek construction, interpretation or reformation of a will.

(2) Upon filing *an adversary proceeding in circuit court in matters involving probate whether in a testate or intestate proceeding or* an action pursuant to subsection (1) of this section, the plaintiff shall forthwith lodge a notice of the action in the office of the county clerk of the county in which the will was admitted to probate or rejected*, or if in an intestate estate in the office of the county clerk of the county in which the estate was probated*. Such notice shall state the name of the testator, the style of the action, the court in which the action has been filed, the file number assigned to the action by the clerk of the court in which it has been filed, the nature of the action, and the date on which the action was commenced. Said notice shall be signed by plaintiff or his attorney and no jurat shall be necessary. The county clerk shall record and index said notice as if it were a will.

Section 13. KRS 394.260 is amended to read as follows:

When the proceeding is taken to the circuit court, all necessary parties shall be brought before the court by the plaintiff. The final decision given shall, subject to appeal to the court of appeals, be a bar to any other proceeding *calling* [to call] the probate or rejection of the will in question. This section does not preclude a court of justice from its jurisdiction to impeach such final decision for any reason that would give it jurisdiction over any other judgment at law.

Section 14. KRS 394.295 is amended to read as follows:

The court in which a judgment has been rendered shall have power to vacate or modify it when any paper purporting to be the last will of any person has been, or may be hereafter admitted to probate, and a later will has been discovered. A judgment on this ground, however, shall not be vacated or modified, unless proceedings to that end shall be instituted within *ten (10)* [twenty-five] years after the death of the testator. If the earlier will shall have been established by judgment of the circuit court, the proceedings to vacate shall be instituted in the circuit court. The proceedings to vacate shall be by petition to which all persons interested in the earlier will shall be made defendants. Otherwise, the proceedings to vacate shall be instituted in the district court. Provided, however, that a judgment on the ground herein named shall not be vacated or modified until the validity of such later will has been determined in such proceedings. When such former judgment has been vacated or modified such later will shall be admitted to probate in the manner and under the laws governing the probation of wills before the expiration of five years. The judgment establishing such later will and vacating the judgment establishing the former will shall be without prejudice to the vested rights of innocent third parties. The court in which relief is sought for the reasons herein set out, may enter such orders as may be necessary to protect the rights of the parties during the pendency of the proceedings.

Section 15. KRS 394.300 is amended to read as follows:

(1) Every will or authenticated copy admitted to record by any court shall be recorded by the county clerk, and remain in his office, except during such time as it may be carried to another court under subpoena duces tecum.

(2) (a) A will probated in the court of one (1) Kentucky county and recorded in the office of the county clerk for that county may be recorded in the office of the county clerk for other counties without the process of probate in the other county.

(b) Production of an attested copy of the will together with an attested copy of the order of probate shall be required by the county clerk of the other county before recordation.

(c) The clerk shall make the same charge for recordation as is otherwise provided for recording a will.

Section 16. KRS 394.520 is amended to read as follows:

If no time is fixed for the payment of a specific pecuniary legacy, it shall be payable one year after the *probate of the will* [testator's death], and carry interest after due.

Section 17. KRS 394.610 is amended to read as follows:

A person, or the representative of an incapacitated or protected person, who is an heir, next of kin, devisee, legatee, person succeeding to a disclaimed interest, beneficiary under a testamentary instrument, or appointee under a power of appointment exercised by a testamentary instrument, may disclaim in whole or in part the right of succession to any property or interest therein, including a future interest, by filing a written disclaimer under KRS 394.610 to 394.670. The right to disclaim *shall* [does not] survive the death of the person having it *and may be exercised by the personal representative of such person's estate.* The instrument shall (1) describe the property or interest disclaimed, (2) declare the disclaimer and extent thereof, and (3) be signed by the disclaimant.

Section 18. KRS 394.620 is amended to read as follows:

(1) An instrument disclaiming a present interest shall be filed not later than *nine (9)* [six] months after the death of the decedent or the donee of the power.

(2) An instrument disclaiming a future interest shall be filed not later than *nine (9)* [six] months after the event that determines that the taker of the property or interest is finally ascertained and his interest indefeasibly vested.

(3) The disclaimer shall be filed in the district court of the county in which proceedings have been commenced for the administration of the estate of the deceased owner or deceased donee of the power or, if they have not been commenced, in which they could be commenced. A copy of the disclaimer shall be delivered in person or mailed by registered or certified mail to any personal representative, or other fiduciary of the decedent or donee of the power. If real property or an interest therein is disclaimed, a copy of the disclaimer may be recorded in the office of the county clerk of the county in which the real estate is situated.

Section 19. KRS 395.005 is amended to read as follows:

The following persons may be appointed as fiduciary:

(1) Any resident of the State of Kentucky, [including married women,] over eighteen years of age, *except as set out in KRS 395.080,* and any national bank located in Kentucky having fiduciary powers and any state bank or trust company incorporated under the laws of the State of Kentucky and authorized by law to act as fiduciary.

(2) Any nonresident of legal age who is *as to the decedent, ward, or incompetent, related by consanguinity, marriage, adoption or the spouse of such person so related* [:

(a) The spouse of the decedent;

(b) Related to the decedent by consanguinity;

(c) The spouse of a person related to the decedent by consanguinity;

(d) The father, mother, brother, or sister of the spouse of decedent; or

(e) The legally adopted child or adoptive parent of decedent].

Section 20. KRS 395.010 is amended to read as follows:

Original administration shall not be granted after the expiration of *ten (10)* [twenty] years from the death of the testator or intestate and if made after that time, it shall be void.

Section 21. KRS 395.195 is amended to read as follows:

Except as restricted or otherwise provided by the will, or by KRS 395.200, a personal representative, acting reasonably for the benefit of the interested persons, may properly:

(1) Retain assets owned by the decedent pending distribution or liquidation including those in which the representative is personally interested or which are otherwise improper for trust investment;

(2) Receive assets from fiduciaries, or other sources;

(3) Perform, compromise or refuse performance for proper cause of the decedent's contracts that continue as obligations of the estate, as he may determine under the circumstances;

(4) Satisfy written charitable pledges of the decedent irrespective of whether the pledges constituted binding obligations of the decedent or were properly presented as claims, if in the judgment of the personal representative the decedent would have wanted the pledges completed under the circumstances;

(5) If funds are not needed to meet debts and expenses currently payable and are not immediately distributable, deposit or invest liquid assets of the estate, including moneys received from the sale of other assets, in federally insured interest-bearing accounts, readily marketable secured loan arrangements or other prudent investments which would be reasonable for use by trustees generally;

(6) Acquire or dispose of an asset, other than land, for cash or on credit, at public or private sale; and manage, exchange, or change the character of an estate asset;

(7) Enter for any purpose into a lease for personal property as lessor or lessee, with or without option to purchase or renew, for a term within or extending beyond the period of administration;

(8) Abandon personal property when, in the opinion of the personal representative, it is valueless, or is so encumbered, or is in such condition that it is of no benefit to the estate;

(9) Vote stocks or other securities in person or by general or limited proxy;

(10) Pay calls, assessments, and other sums chargeable or accruing against or on account of securities, unless barred by the provisions relating to claims;

(11) Hold a security in the name of a nominee or in other form without disclosure of the interest of the estate but the personal representative is liable for any act of the nominee in connection with the security so held;

(12) Insure the assets of the estate against damage, loss and liability and himself against liability as to third persons;

(13) Borrow money with or without security to be repaid from the probatable assets or otherwise; and advance money for the protection of the estate;

(14) Effect a fair and reasonable compromise with any debtor or obligor, or extend, renew or in any manner modify the terms of any obligation owing to the estate. If the personal representative holds a mortgage, pledge or other lien upon property of another person, he may, in lieu of foreclosure, accept a conveyance or transfer of encumbered assets from the owner thereof in satisfaction of the indebtedness secured by lien;

(15) Pay taxes, assessments, compensation of the personal representative, and other expenses incident to the administration of the estate;

(16) Sell or exercise stock subscription or conversion rights; consent, directly or through a committee or other agent, to the reorganization, consolidation, merger, dissolution, or liquidation of a corporation or other business enterprise;

(17) Allocate items of income or expense to either estate income or principal, as permitted or provided by law;

(18) Employ persons, including attorneys, auditors, investment advisors, or agents, to advise or assist the personal representative in the performance of his administrative duties; act without independent investigation upon their recommendations; and instead of acting personally, employ one or more agents to perform any act of administration, whether or not discretionary;

(19) Prosecute or defend claims, or proceedings in any jurisdiction for the protection of the estate and of the personal representative in the performance of his duties;

(20) Sell or mortgage any personal property or any interest therein for cash, credit, or for part cash and part credit, and with or without security for unpaid balances;

(21) Provide for exoneration of the personal representative from personal liability in any contract entered into on behalf of the estate;

(22) Satisfy, [and] settle *or compromise* claims and distribute the estate as provided by law.

Section 22. KRS 395.197 is amended to read as follows:

The powers set forth in KRS 395.195 and 395.196 shall not be effective as to wills executed *or personal representatives appointed and qualifying* prior to June 19, 1976[, nor to personal representatives].

Section 23. KRS 395.420 is amended to read as follows:

(1) A curator appointed under subsection (1) of KRS 395.410 shall collect and safely keep the estate of the decedent, and make and return to court, within *sixty (60) days* [three months], a full and complete inventory of the estate and deliver up the estate, when required, to the executor or administrator. He may pay debts, sue and be sued and sell perishable and other goods.

(2) A curator appointed under subsection (2) of KRS 395.410 shall collect and safely keep the estate of an absent person; make and return to the court, within *sixty (60) days* [three months], a full and complete inventory of the estate and deliver up the estate, including the income from the estate, when required, to the absent person upon his return, or to the executor or administrator, when one is appointed. He may pay debts, sue and be sued, invest or reinvest any funds coming into his hands and sell perishable and other goods.

Section 24. KRS 395.605 is amended to read as follows:

(1) Upon the sworn application of any fiduciary, that the fiduciary is the sole beneficiary of any estate, the court may dispense with the requirements of this chapter regarding settlement of fiduciaries accounts and may dispense with the requirements of a surety for the fiduciary and shall accept from the fiduciary an informal settlement. The informal settlement shall be made, under oath, by the fiduciary and shall state that the estate was solvent; that all legal claims and debts have been paid, or if not paid, the manner in which said claims and debts have been provided for; that all inheritance, estate or similar death taxes have been paid and a duplicate or photocopy of such tax releases shall be attached, if available; that all court costs have been paid; the name of the attorney(s), if any, representing the fiduciary, and the amount of the attorney's fee, and that the beneficiary has received his share. An informal settlement may be filed at any time after *expiration of six (6) months from the fiduciary's appointment* [the period for filing claims against decedent's estate has elapsed, subject to the requirements of time for filing settlements as set out in this chapter]. Upon the filing of the informal settlement, the court may enter an order discharging the fiduciary, and his surety, if any. When a settlement is effected in the informal manner, no notice to any

person shall be required nor shall the court be compelled to inquire into detailed items of income or disbursements.

(2) If a proposed settlement of a fiduciary is accompanied by a verified waiver executed by all of the beneficiaries of an estate, and none of the beneficiaries is under a disability, the court shall accept from the fiduciary an informal settlement which meets the requirements of subsection (1) of this section. The court may require the fiduciary to execute bond with or without surety to insure the application of the estate assets to the debts of the decedent.

(3) In the event that one or more of the beneficiaries of the estate is under a disability, the court may allow the filing of an informal settlement if the court is of the opinion that the best interests of the person under the disability would be served.

Section 25. KRS 395.610 is amended to read as follows:

(1) *Two (2) years* [One (1) year] after appointment and annually thereafter, unless otherwise provided by law, every fiduciary as defined in KRS 395.001, other than a testamentary trustee, must render an account of the execution of his trust to the court by which he was appointed, including in such account an itemized statement of receipts and disbursements supported by vouchers accompanying the same and a statement of all investments on hand and changes in investments since the filing of his last account. Provided, however, that guardians and committees [and trustees under continuing trust], after their first accounting, shall render their accounts thereafter biennially, or at shorter intervals if the court shall require it. Such settlements, when approved and confirmed by the court, shall be recorded and indexed by the clerk, and the original and the vouchers carefully kept by him in his office. An account shall be rendered by the fiduciary at any other time upon order of the court upon its own motion or that of any person interested in the trust, for good cause shown on affidavit. At the expiration of his trust such fiduciary must fully account for and pay over the trust estate to the person or persons entitled thereto. Every such account shall list all unpaid creditors whose claims have been allowed and all creditors whose claims have been disallowed. No account of a fiduciary except of corporate fiduciaries under the supervision of state or federal banking authorities shall be approved until there are exhibited to the court, for its examination, the security or securities shown in said account as being in the hands of the fiduciary, or the certificate of a bank having possession thereof or in which they have been deposited for safekeeping, and a certified bank statement showing the funds to the credit of the trust.

(2) Testamentary trustees shall not be required to render accountings to the court under the provisions of this section. However, trustees may be required to file accounts pursuant to judicial proceedings under KRS 386.675.

SECTION 26. A NEW SECTION OF KRS CHAPTER 396 IS CREATED TO READ AS FOLLOWS:

When a claim against an estate has been rejected in whole or in part in writing or when a claim has been allowed in whole or in part and thereafter rejected in writing, the claimant must commence an action on the claim or that part thereof rejected within two (2) months after such rejection if the debt or that part thereof rejected is then due, or be forever barred from maintaining an action thereon. If the executor or administrator dies, resigns or is removed within such two-months' period before action is commenced thereon, the action may be commenced within two (2) months after the appointment of a successor.

Section 27. KRS 401.020 is amended to read as follows:

Both parents, provided both are living, or one (1) parent if one (1) is deceased [A parent], or if no parent is living, the guardian, may have the name of a child under the age of eighteen changed by the district court of the county in which the child resides. *However, if one (1) parent refuses or is unavailable to execute the petition, proper notice of filing the petition shall be served in accordance with the rules of civil procedure.* If the child resides on a United States army post, military reservation or fort his name may be changed by the district court of any county adjacent thereto.

Section 28. KRS 413.230 is amended to read as follows:

A surety for an executor, administrator, guardian or curator, or for a sheriff to whom a decedent's estate has been transferred, shall be discharged from all liability to a distributee, devisee or ward when *five (5)* [two] years have elapsed without suit after the cause of action accrued, and after the devisee, distributee or ward attained full age. But the failure of one to commence action in time shall not affect the right of another.

Section 29. KRS 424.340 is amended to read as follows:

The *circuit* [county] clerk shall, at least once each month, cause to be published in the newspaper meeting the requirements of KRS 424.120, a notice setting forth all fiduciary appointments made since the last publication and including at least the following information: the name and address of the decedent or ward, the name and address of the fiduciary, the date of the fiduciary's appointment, and the date by which claims of creditors must be filed. The clerk may charge each fiduciary a fee not to exceed the actual proportionate cost of said notice. Publication of this notice shall neither enlarge nor reduce the obligation of a creditor to present a timely claim, nor the liability of the fiduciary or distributee to pay the same.

Section 30. KRS 394.320, Devisee may disclaim by deed, is repealed.

SB 141, AN ACT relating to trial courts and making an appropriation therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 23A.020 is amended to read as follows:
The state is divided into judicial circuits, each to be composed of the following counties:
(1) First Judicial Circuit. Ballard, Carlisle, Fulton and Hickman.
(2) Second Judicial Circuit. McCracken.
(3) Third Judicial Circuit. Christian.
(4) Fourth Judicial Circuit. Hopkins.
(5) Fifth Judicial Circuit. Crittenden, Union and Webster.
(6) Sixth Judicial Circuit. Daviess.
(7) Seventh Judicial Circuit. Logan and Todd.
(8) Eighth Judicial Circuit. Warren.
(9) Ninth Judicial Circuit. Hardin.
(10) Tenth Judicial Circuit. Hart, Larue and Nelson.
(11) Eleventh Judicial Circuit. Green, Marion, Taylor and Washington.
(12) Twelfth Judicial Circuit. Henry, Oldham and Trimble.
(13) Thirteenth Judicial Circuit. Garrard, Jessamine and Lincoln.
(14) Fourteenth Judicial Circuit. Bourbon, Scott and Woodford.
(15) Fifteenth Judicial Circuit. Carroll, *Gallatin,* Grant and Owen.
(16) Sixteenth Judicial Circuit. Kenton.
(17) Seventeenth Judicial Circuit. Campbell.
(18) Eighteenth Judicial Circuit. Harrison, Nicholas, Pendleton and Robertson.
(19) Nineteenth Judicial Circuit. Bracken, Fleming and Mason.
(20) Twentieth Judicial Circuit. Greenup and Lewis.
(21) Twenty-first Judicial Circuit. Bath, Menifee, Montgomery and Rowan.
(22) Twenty-second Judicial Circuit. Fayette.
(23) Twenty-third Judicial Circuit. Estill, Lee and Owsley.
(24) Twenty-fourth Judicial Circuit. [Lawrence,] Johnson [and Martin].
(25) Twenty-fifth Judicial Circuit. Clark and Madison.
(26) Twenty-sixth Judicial Circuit. Harlan.
(27) Twenty-seventh Judicial Circuit. Knox and Laurel.
(28) Twenty-eighth Judicial Circuit. Pulaski and Rockcastle.
(29) Twenty-ninth Judicial Circuit. Adair, Casey, Cumberland and Monroe.
(30) Thirtieth Judicial Circuit. Jefferson.
(31) Thirty-first Judicial Circuit. Floyd.
(32) Thirty-second Judicial Circuit. Boyd.
(33) Thirty-third Judicial Circuit. Perry.
(34) Thirty-fourth Judicial Circuit. Whitley and McCreary.
(35) Thirty-fifth Judicial Circuit. Pike.
(36) Thirty-sixth Judicial Circuit. Magoffin and Knott.
(37) Thirty-seventh Judicial Circuit. Carter, Elliott and Morgan.
(38) Thirty-eighth Judicial Circuit. Butler, Edmonson, Ohio and Hancock.
(39) Thirty-ninth Judicial Circuit. Breathitt, Wolfe and Powell.
(40) Fortieth Judicial Circuit. Clinton, Russell and Wayne.
(41) Forty-first Judicial Circuit. Clay, Jackson and Leslie.
(42) Forty-second Judicial Circuit. Calloway and Marshall.
(43) Forty-third Judicial Circuit. Barren and Metcalfe.
(44) Forty-fourth Judicial Circuit. Bell.
(45) Forty-fifth Judicial Circuit. Muhlenberg and McLean.
(46) Forty-sixth Judicial Circuit. Breckinridge, Grayson and Meade.
(47) Forty-seventh Judicial Circuit. Letcher.
(48) Forty-eighth Judicial Circuit. Franklin.
(49) Forty-ninth Judicial Circuit. Allen and Simpson.
(50) Fiftieth Judicial Circuit. Boyle and Mercer.
(51) Fifty-first Judicial Circuit. Henderson.

(52) Fifty-second Judicial Circuit. Graves.
(53) Fifty-third Judicial Circuit. Shelby, Anderson and Spencer.
(54) Fifty-fourth Judicial Circuit. Boone [and Gallatin].
(55) Fifty-fifth Judicial Circuit. Bullitt.
(56) Fifty-sixth Judicial Circuit. Caldwell, Livingston, Lyon and Trigg.
(57) Fifty-seventh Judicial Circuit. Lawrence and Martin.

Section 2. KRS 23A.040 is amended to read as follows:

The following judicial circuits are entitled to two (2) judges and shall have two (2) numbered divisions of the circuit court:

(1) Second Judicial Circuit.
(2) Third Judicial Circuit.
(3)[(2)] Sixth Judicial Circuit.
(4)[(3)] Eighth Judicial Circuit.
(5)[(4)] Ninth Judicial Circuit.
(6)[(5)] Seventeenth Judicial Circuit.
(7) Twenty-fifth Judicial Circuit.
(8) Twenty-seventh Judicial Circuit.
(9)[(6)] Thirty-second Judicial Circuit.
(10)[(7)] Thirty-fifth Judicial Circuit.
(11)[(8)] Forty-eighth Judicial Circuit.

Section 3. KRS 24A.030 is amended to read as follows:

The state is divided into judicial districts, each to be composed of the following counties:

(1) First Judicial District. Ballard, Carlisle, Fulton and Hickman.
(2) Second Judicial District. McCracken.
(3) Third Judicial District. Christian.
(4) Fourth Judicial District. Hopkins.
(5) Fifth Judicial District. Crittenden, Union and Webster.
(6) Sixth Judicial District. Daviess.
(7) Seventh Judicial District. Logan and Todd.
(8) Eighth Judicial District. Warren.
(9) Ninth Judicial District. Hardin.
(10) Tenth Judicial District. Hart, Larue and Nelson.
(11) Eleventh Judicial District. Green, Marion, Taylor and Washington.
(12) Twelfth Judicial District. Henry, Oldham and Trimble.
(13) Thirteenth Judicial District. Garrard, Jessamine and Lincoln.
(14) Fourteenth Judicial District. Bourbon, Scott and Woodford.
(15) Fifteenth Judicial District. Carroll, *Gallatin,* Grant and Owen.
(16) Sixteenth Judicial District. Kenton.
(17) Seventeenth Judicial District. Campbell.
(18) Eighteenth Judicial District. Harrison, Nicholas, Pendleton and Robertson.
(19) Nineteenth Judicial District. Bracken, Fleming and Mason.
(20) Twentieth Judicial District. Greenup and Lewis.
(21) Twenty-first Judicial District. Bath, Menifee, Montgomery and Rowan.
(22) Twenty-second Judicial District. Fayette.
(23) Twenty-third Judicial District. Estill, Lee and Owsley.
(24) Twenty-fourth Judicial District. [Lawrence,] Johnson [and Martin].
(25) Twenty-fifth Judicial District. Clark and Madison.
(26) Twenty-sixth Judicial District. Harlan.
(27) Twenty-seventh Judicial District. Knox and Laurel.
(28) Twenty-eighth Judicial District. Pulaski and Rockcastle.
(29) Twenty-ninth Judicial District. Adair, Casey, Cumberland and Monroe.
(30) Thirtieth Judicial District. Jefferson.
(31) Thirty-first Judicial District. Floyd.
(32) Thirty-second Judicial District. Boyd.
(33) Thirty-third Judicial District. Perry.
(34) Thirty-fourth Judicial District. Whitley and McCreary.
(35) Thirty-fifth Judicial District. Pike.
(36) Thirty-sixth Judicial District. Magoffin and Knott.
(37) Thirty-seventh Judicial District. Carter, Elliott and Morgan.
(38) Thirty-eighth Judicial District. Butler, Edmonson, Ohio and Hancock.
(39) Thirty-ninth Judicial District. Breathitt, Wolfe and Powell.

(40) Fortieth Judicial District. Clinton, Russell and Wayne.
(41) Forty-first Judicial District. Clay, Jackson and Leslie.
(42) Forty-second Judicial District. Calloway and Marshall.
(43) Forty-third Judicial District. Barren and Metcalfe.
(44) Forty-fourth Judicial District. Bell.
(45) Forty-fifth Judicial District. Muhlenberg and McLean.
(46) Forty-sixth Judicial District. Breckinridge, Grayson, and Meade.
(47) Forty-seventh Judicial District. Letcher.
(48) Forty-eighth Judicial District. Franklin.
(49) Forty-ninth Judicial District. Allen and Simpson.
(50) Fiftieth Judicial District. Boyle and Mercer.
(51) Fifty-first Judicial District. Henderson.
(52) Fifty-second Judicial District. Graves.
(53) Fifty-third Judicial District. Shelby, Anderson and Spencer.
(54) Fifty-fourth Judicial District. Boone [and Gallatin].
(55) Fifty-fifth Judicial District. Bullitt.
(56) Fifty-sixth Judicial District. Caldwell, Livingston, Lyon and Trigg.
(57) Fifty-seventh Judicial District. Lawrence and Martin.

Section 4. KRS 24A.050 is amended to read as follows:

The following judicial districts are entitled to two (2) district judges and shall have two (2) numbered divisions of the district court:

(1) First judicial district.
(2) Second judicial district.
(3) Third judicial district.
(4) Fourth Judicial District.
(5) Fifth Judicial District.
(6)[(4)] Eighth judicial district.
(7)[(5)] Ninth judicial district.
(8) Tenth Judicial District.
(9)[(6)] Eleventh judicial district.
(10)[(7)] Twelfth judicial district.
(11)[(8)] Thirteenth judicial district.
[(9) Fourteenth judicial district.]
(12) Fifteenth Judicial District.
(13)[(10)] Eighteenth judicial district.
(14) Twentieth Judicial District.
(15)[(11)] Twenty-first judicial district.
(16) Twenty-sixth Judicial District.
(17)[(12)] Twenty-seventh judicial district.
(18)[(13)] Twenty-eighth judicial district.
(19)[(14)] Twenty-ninth judicial district.
(20) Thirty-first Judicial District.
(21)[(15)] Thirty-second judicial district.
(22) Thirty-third Judicial District.
(23) Thirty-fourth Judicial District.
(24)[(16)] Thirty-fifth judicial district.
(25) Thirty-sixth Judicial District.
(26)[(17)] Thirty-eighth judicial district.
(27) Thirty-ninth Judicial District.
(28) Fortieth Judicial District.
(29) Forty-first Judicial District.
(30) Forty-second Judicial District.
(31) Forty-third Judicial District.
(32) Forty-fourth Judicial District.
(33) Forty-fifth Judicial District.
(34)[(18)] Forty-sixth judicial district.
(35) Forty-eighth Judicial District.
(36) Fiftieth Judicial District.
(37)[(19)] Fifty-first judicial district.
(38)[(20)] Fifty-third judicial district.
(39)[(21)] Fifty-fourth judicial district.

(40)[(22)] Fifty-sixth judicial district.

Section 5. KRS 24A.060 is amended to read as follows:

The following judicial districts are entitled to three (3) district judges and shall have three (3) numbered divisions of the district court:

(1) Sixth Judicial District.
(2) Fourteenth Judicial District.
(3)[(2)] Seventeenth Judicial District.
[(3) Twenty-fifth Judicial District.]

Section 6. KRS 24A.070 is amended to read as follows:

The *following* [Sixteenth] judicial *districts are* [district is] entitled to four (4) district judges and shall have four (4) numbered divisions of the district court*:*

(1) Sixteenth Judicial District.
(2) Twenty-fifth Judicial District.

Section 7. Until the next regular elections of circuit judges and commonwealth's attorneys respectively these offices newly created by this Act shall be filled as provided by Sections 118 and 152 of the Constitution. At the next regular elections of circuit judges and commonwealth's attorneys respectively these offices shall be filled for entire terms.

Section 8. For funding purposes, there is appropriated to the Court of Justice and the Judicial Retirement Board, out of the general expenditure fund in the state treasury, for the fiscal years 1980-81 and 1981-82, the following respective amounts (The appropriation to the Judicial Retirement Board being an amount equal to 19.25% of the salaries of the judges provided for by this Act.):

1980-81 - $2,261,416
1981-82 - $2,263,094

The Committee Substitute to **SB 141** is as follows:

House Committee Substitute for **SB 141,** AN ACT relating to trial courts and making an appropriation therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 23A.040 is amended to read as follows:

The following judicial circuits are entitled to two (2) judges and shall have two (2) numbered divisions of the circuit court:

(1) Second Judicial Circuit.
(2) Third Judicial Circuit.
(3)[(2)] Sixth Judicial Circuit.
(4)[(3)] Eighth Judicial Circuit.
(5)[(4)] Ninth Judicial Circuit.
(6)[(5)] Seventeenth Judicial Circuit.
(7) Twenty-fourth Judicial Circuit.
(8) Twenty-fifth Judicial Circuit.
(9) Twenty-seventh Judicial Circuit.
(10)[(6)] Thirty-second Judicial Circuit.
(11)[(7)] Thirty-fifth Judicial Circuit.
(12)[(8)] Forty-eighth Judicial Circuit.

Section 2. KRS 24A.050 is amended to read as follows:

The following judicial districts are entitled to two (2) district judges and shall have two (2) numbered divisions of the district court:

(1) First judicial district.
(2) Second judicial district.
(3) Third judicial district.
(4) *Fourth judicial district.*
(5) Eighth judicial district.
(6)[(5)] Ninth judicial district.
(7) Tenth judicial district.
(8)[(6)] Eleventh judicial district.
(9)[(7)] Twelfth judicial district.

(10)[(8)] Thirteenth judicial district.
(11)[(9)] Fourteenth judicial district.
(12) Fifteenth judicial district.
(13)[(10)] Eighteenth judicial district.
(14)[(11)] Twenty-first judicial district.
(15) Twenty-fourth judicial district.
(16)[(12)] Twenty-seventh judicial district.
(17)[(13)] Twenty-eighth judicial district.
(18)[(14)] Twenty-ninth judicial district.
(19)[(15)] Thirty-second judicial district.
(20) Thirty-fourth judicial district.
(21)[(16)] Thirty-fifth judicial district.
(22)[(17)] Thirty-eighth judicial district.
(23) Fortieth judicial district.
(24) Forty-first judicial district.
(25)[(18)] Forty-sixth judicial district.
(26) Forty-eighth judicial district.
(27) Fiftieth judicial district.
(28)[(19)] Fifty-first judicial district.
(29)[(20)] Fifty-third judicial district.
(30)[(21)] Fifty-fourth judicial district.
(31)[(22)] Fifty-sixth judicial district.

Section 3. Until the next regular elections of circuit judges, district judges and commonwealth's attorneys respectively these offices newly created by this Act shall be filled as provided by Sections 118 and 152 of the Constitution. At the next regular elections of circuit judges, district judges and commonwealth's attorneys respectively these offices shall be filled for entire terms.

Section 4. For funding purposes, there is appropriated to the Court of Justice and the Judicial Retirement Board, out of the general expenditure fund in the state treasury, for the fiscal years 1980-81 and 1981-82, the following respective amounts (The appropriation to the Judicial Retirement Board being an amount equal to 19.25% of the salaries of the judges provided for by this Act.):

1980-81 - $1,026,588
1981-82 - $ 985,209

The Committee on Appropriations and Revenue reported **SB 102,** with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 102, AN ACT relating to salaries of officials of the court of justice.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 64.485 is amended to read as follows:

(1) The salary for each justice of the Supreme Court, payable out of the state treasury, shall be *forty-nine thousand dollars ($49,000)* [thirty-nine thousand dollars ($39,000)] per annum, except for the salary of the chief justice of the Supreme Court which shall be *fifty thousand dollars ($50,000)* [thirty-nine thousand five hundred dollars ($39,500)] per annum.

(2) The salary of each judge of the Court of Appeals, payable out of the state treasury, shall be forty-seven thousand dollars ($47,000), with the exception of the chief judge of the Court of Appeals who shall receive a salary of forty-seven thousand five hundred dollars ($47,500).

(3) The salary of each circuit judge, payable out of the state treasury shall be forty-five thousand dollars ($45,000) per annum.

(4) The salary of each district judge, payable out of the state treasury, shall be thirty-eight thousand five hundred dollars ($38,500) per annum.

(5) In order to equate or adjust the compensation of justices and judges of the court of justice with the purchasing power of the dollar, the department of finance shall compute by July 1 of every year, beginning on July 1, 1980, the annual increase or decrease in the consumer price index of the preceding year by using 1949 as the base year. Upon notification from the department of finance, the annual salary of justices and judges of the court of justice for fiscal year 1982 and each fiscal year thereafter shall be set

at a rate which includes the adjustment for the increase or decrease in the consumer price index, but in no event shall a justice or judge of the court of justice receive an annual increase exceeding six percent (6%) of salary.

Section 2. KRS 64.055 is amended to read as follows:

(1) The salaries of circuit clerks, payable out of the state treasury per annum subject to the methods of calculation hereinafter set out, shall be:

Population of County	1978 Annual Salary
0 - 4,999	$ 9,000
5,000 - 9,999	14,000
10,000 - 14,999	17,000
15,000 - 19,999	19,000
20,000 - 29,999	20,000
30,000 - 39,999	21,000
40,000 - 49,999	21,500
50,000 - 99,999	22,000
100,000 - 499,999	22,500
500,000 - and up	25,000

(2) In order to equate or adjust the compensation of circuit clerks with the purchasing power of the dollar, the department of finance shall compute by July 1 of every year, beginning on July 1, 1981, the annual increase or decrease in the consumer price index of the preceding year by using 1949 as the base year. Upon notification from the department of finance, the annual salary of circuit clerks for fiscal year 1981 and each fiscal year thereafter shall be set at a rate which includes the adjustment for the increase or decrease in the consumer price index, but in no event shall a circuit clerk receive an annual increase exceeding six percent (6%) of salary.

For purposes of determining movement of circuit court clerk salaries from calendar year 1976 level to the maximums for calendar year 1978 as outlined above, the following guidelines should be used.

1. The actual calendar year 1976 salary of the circuit court clerk, as certified by the administrative office of the courts from information supplied by the auditor of public accounts, will be adjusted to the 1977 cost of living increase to be determined by the Kentucky department of commerce. This adjusted figure will be the base to compare with the salary maximums outlined above.

2. Those clerks whose base, as determined in 1. above, does not reach the maximums outlined above, will be allowed yearly increases up to twenty percent (20%) of the base, not to exceed the maximums outlined above.

3. Those clerks whose base, as determined in 1. above, is equal to or greater than the maximums outlined above, will be allowed a one time ten percent (10%) adjustment to their base salary as determined in 1. above.

4. The initial population determination for compensation under this section shall be based on the 1970 Federal Census or the "Final" issue of "Current Population Reports, 1974" issued by the United States Bureau of The Census, whichever is greater. In 1981 and thereafter, population shall be based on the decennial census.

5. The annual salary for 1978 for each circuit court clerk shall be no less than seventy-five percent (75%) of the maximum amount permitted for each population category.

Section 3. KRS 64.057 is amended to read as follows:

[All circuit clerks and] deputy *circuit* clerks may receive annual salary increments for each year's services, subject to determination by the Supreme Court.

Section 4. KRS 64.497, Salaries of judges of the Court of Appeals; 64.499, Compensation of circuit judges; 64.507, Salary of district judges, are repealed.

Section 5. Whereas, inflation has severly diminished the purchasing power of justices and judges of the court of justice and circuit clerks, an emergency is declared to exist, and this Act shall become effective on July 1, 1980.

Section 6. There is hereby appropriated from the general fund $3,054,917 for FY 1980-81 and $3,807,476 for FY 1981-82 to carry out the provisions of this Act.

The Committee Amendment No. 1 to **SB 102** is as follows:

Amend printed copy of **SB 102,** page 3, line 9, by deleting the date, "1981" and substituting in lieu thereof, the following: "1980."

On page 5, line 1, after the word "Court." by inserting the following:

"Section 4. KRS 21.400 is amended to read as follows:

(1) A member who retires on or after his normal retirement date shall receive *an annual* [a] service retirement allowance, payable *on a* monthly *basis* during his lifetime, in an amount [per month] equal to *two and seventy-five hundredths percent (2.75%)* [four and fifteen one hundredths percent (4.15%)] of his final compensation multiplied by the number of years of his service, but in no event to exceed one hundred percent (100%) of final compensation, except that for any service performed while a member prior to *March 20, 1980* [July 1, 1978], any service prior to July 1, 1962 creditable under KRS 21.345, and any service performed in continued membership (or allowable under KRS 21.410 *through* [to] 21.420) after *March 19, 1980* [June 30, 1978], by a person who was a member on that date, the [monthly] percentage figure shall be five percent (5%) *of his final compensation multiplied by the number of years of his service, and except that for any service performed by a member who elected membership at an annual accrual rate of four and fifteen one hundredths percent (4.15%) and for any service performed in continued membership thereafter (or allowable under KRS 21.410 through 21.420), the annual benefit, payable on a monthly basis during his lifetime shall be an amount equal to four and fifteen one hundredths percent (4.15%) of his final compensation multiplied by the number of years of his service, and* except that allowances heretofore granted, and rights related thereto, shall not be affected by the 1978 *or 1980 amendments* [amendment] to this section. For this purpose, "final compensation" means the average monthly compensation of the member for the sixty (60) months of service immediately preceding his retirement, including, in the case of a circuit judge, compensation received as special commissioner of the former Court of Appeals. If, at the time of retirement or death of a member his total period of service in one or more positions covered by the system has not amounted to sixty (60) months, his "final compensation" shall be computed as if he had served in the first position he occupied under the system for such period of time as to bring his total service (in all positions) to sixty (60) months. If that category of position was not in existence for that period, it shall be treated as though it had been in existence for that period and as if the compensation paid for the presumed period of existence was at the rate provided for the category when it in fact first was created.

(2) A member who retires before his normal retirement date shall be vested with the right to receive, when he reaches his normal retirement age, a service retirement allowance computed and payable in accordance with the provisions of subsection (1) of this section, on the basis of the number of years of his actual service.

(3) In lieu of the right provided for in subsection (2) of this section, a member who retires before his normal retirement age may elect, at any time before reaching his normal retirement age, to be paid commencing as of the time of the election a monthly service retirement allowance equal in amount to the monthly allowance that would have become payable under subsection (2) of this section when he reached his normal retirement age, reduced actuarially in accordance with his actual age at the time the election is made."

on page 5, line 2, by deleting after the word "Section" the numeral "4" and inserting therefor the following: "5";

on page 5, line 5, by deleting after the word "Section" the numeral "5" and inserting therefor the following: "6";

on page 5, line 10, by deleting after the word "Section" the numeral "6" and inserting therefor the following: "7".

The Committee Title Amendment to **SB 102** is as follows:

Amend printed copy of **SB 102,** page 1, by amending the title thereof to read as follows:

"AN ACT relating to compensation of active and retired officials of the court of justice."

The Committee on Counties and Special Districts reported **HR 84** and **SB 365,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HCR 84, A CONCURRENT RESOLUTION directing the Legislative Research Commission to conduct a comprehensive inventory and evaluation of local law library resources and facilities and identify and evaluate alternatives for improving and upgrading local law library resources and facilities which are provided for local and state officers in the Commonwealth.

WHEREAS, various law library resources and facilities exist in the several counties of the Commonwealth; and

WHEREAS, the law library resources and facilities do vary among the several counties; and

WHEREAS, various sources of public funds are expended to support the several law library resources; and

WHEREAS, it is in the best interest of all of the people of the Commonwealth to know more about the adequacy and costs of existing law library resources, facilities, and their operation and utilization;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. The Legislative Research Commission is directed to conduct a comprehensive inventory of existing local law library resources, facilities, books, journals, and periodicals and their costs, adequacy, and utilization; to identify and evaluate various alternatives for improving and upgrading the law library resources; to study the feasibility of consolidating all such resources and facilities; and to develop recommendations that would improve local law library resources and insure the most efficient utilization of public monies employed in their support and operation. The Legislative Research Commission may appoint an advisory committee to consult with and advise its staff in the conduct of this study. Such an advisory committee may include representatives of the judiciary, the bar association, the attorney general, law colleges, local government, and appropriate committees of the General Assembly.

Section 2. The study along with recommendations shall be reported to the appropriate committees not later than June 1, 1981.

Section 3. Staff services to be utilized in the conduct of this study are estimated to cost $30,000. These staff services shall be provided from the regular appropriation to the Legislative Research Commission and are subject to the limitations and other responsibilities of the Commission.

SB 365, AN ACT relating to law libraries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 172.110 is amended to read as follows:

(1) The circuit clerk shall be ex officio librarian of the county law library, and he shall see that county and state officials have access to the library at reasonable hours each day except Sunday and holidays. [He shall receive a salary of not less than fifty dollars ($50.00) nor more than one hundred dollars ($100) per month for his services as librarian.]

(2) He shall keep the library rooms in order, preserve, arrange and index all the books, charts, maps and furniture belonging in the library, and see that no books or other things are taken from the library rooms without a receipt being given therefor.

(3) He shall receipt for all books, maps and furniture placed in the library. The receipts shall be given to the state law librarian and preserved in his office at Frankfort.

(4) He shall take an inventory each December of all the books, maps, charts or other property in the library belonging to the state and report the inventory under oath to the state law librarian before January 1 of the following year.

Section 2. KRS 172.160 is amended to read as follows:

(1) With the approval of the chief circuit judge, the circuit clerk as county law librarian may give to the *state law library, state archives, the* library of the University of Kentucky and to the libraries of the state universities and colleges, such noncurrent documents and reports and other library materials in his possession as are not needed by the county.

(2) In the event that none of these potential donees is willing to accept such gifts, the law librarian may, with the approval of the chief circuit judge and the trustees of the county law library, sell for the benefit of the law library, or destroy such Kentucky acts, house journals and senate journals as are over ten (10) years old.

SECTION 3. A NEW SECTION OF KRS CHAPTER 172 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding the provisions of KRS 117.110, in counties containing cities of the first class and in such other counties wherein the law library trustees so elect, a county law librarian shall be appointed by the county law library trustees who shall perform all the functions specified for the circuit clerk as ex officio law librarian by this chapter.

(2) The compensation of the county law librarian and such assistants as are authorized by the county law library trustees shall be set by the trustees and compensation and other expenses of the law library shall be paid from the law library fund.

Section 4. KRS 172.180 is amended to read as follows:

Any county may adopt the following method of financing the cost of operation and maintenance of the county law library, in lieu of the method set out in KRS 172.130 or 172.170:

(1) Upon petition of three-fourths (¾) of the duly licensed and practicing attorneys resident in the county addressed to the *chief* circuit judge of the county, to the effect that they, as officers of the various courts of the county, recognize the need of a more adequate county law library, there being attached to said petition an attested copy of a resolution of the fiscal court of the county indorsing the adoption of this optional method of financing the cost of operation and maintenance of the county law library, the *chief* circuit judge, *after consultation with the chief district judge,* shall enter an order noting that said optional plan for the financing of the cost of operation and maintenance of the county law library has been adopted.

(2) The order shall set forth the name of each duly licensed and practicing attorney signing said petition, and the order book and page number containing the resolution of the fiscal court.

(3) The order shall direct the following:

(a) That upon receipt of the order by the clerks of said courts there shall be taxed as costs in all criminal actions, except examining trials and felony trials, thereafter instituted in said court the following fee, which shall be designated as county law library fee, in district court, a sum not to exceed fifty cents (50¢); in circuit and district courts, on all civil actions a *specific* sum *to be established by the order following consultation with the chief district judge, not to exceed five dollars ($5.00)* [not to exceed one dollar ($1.00)]; and

(b) That the circuit clerk shall at the end of each month, pay all sums collected as county law library fees during the preceding month, to the trustees of the county law library, and the clerk shall make a full report with said payment, and receive a receipt for all payments.

(4) Notwithstanding the provisions of any other section of the Kentucky Revised Statutes not more than a total of five dollars ($5.00) may be collected in any civil action for the benefit of the county law library.

(5) The order described in subsection (3) may be revised and amended by the chief circuit judge from time to time in a manner not inconsistent with law, upon consultation with the chief district judge.

Section 5. KRS 172.200 is amended to read as follows:

(1) Upon the adoption of this optional plan, in counties other than those containing a city of the first class, the circuit judge shall appoint one (1) member of the county's bar, and the members of the county's bar shall, by majority vote, elect another of their number, which two (2) attorneys shall, with the county attorney of the county, constitute and be designated as "Trustees, ... County Law Library." In counties containing a city of the first class, the chief circuit judge shall appoint one (1) member of the county's bar; *the chief district judge shall appoint one (1) member of the county's bar;* the members of the county's bar shall, by majority vote, elect another of their number; the fiscal court shall appoint one (1) member and one (1) member shall be appointed by the commonwealth's attorney, which *five (5)* [four (4)] attorneys shall, with the county attorney of the county, constitute and be designated as "Trustees, ... County Law Library."

(2) The trustees shall serve for a term of two (2) years or until their successors are elected or qualified.

(3) The trustees shall be in charge of the county law library, and they shall make purchases of the various state and federal case reports, textbooks, legal encyclopedia, and all other books usually incident to or customarily found in law libraries, or necessary to the protection of the rights of litigants, and they shall cause same to be properly arranged in the county law library, directing the ex officio librarian in the exercise of his duties.

(4) The trustees shall exercise their absolute discretion in the purchase of books, pamphlets, periodicals, and other materials, and in the appointment and compensation of personnel to assist the ex officio librarian in the handling of materials and in the maintenance of the library, but the trustees shall not contract for any such purchases and appointments so as to create an indebtedness greater than the anticipated revenue for the following eighteen (18) months, the anticipated revenue being based upon the preceding eighteen (18) months' revenue, and any indebtedness of the county law library fund shall not be considered in any way an indebtedness of the county, but shall be an indebtedness of the county law library fund only, and all creditors must look only to the county law library fund for satisfaction of their indebtedness.

(5) The trustees shall designate one (1) of their number as treasurer and he shall be accountable for the receipt, deposit, and disbursement of all sums received for the operation of the county law library. He shall be bonded by a corporate bond, the cost of which shall be paid out of the receipts of the library fund. He shall deposit all sums received by him as treasurer in a regular banking depository, and he shall pay for all purchases made by the trustees by check or draft, keeping a true and accurate account of all

sums received and expended by him. He shall annually file a written report with the circuit judge of the county showing all sums received by him, together with the court from which they were received, and an itemized statement of all expenditures made by him. The treasurer shall turn all funds over to his successor, together with a full inventory of the county law library, and together with a full and complete itemized statement of all outstanding accounts.

Section 6. KRS 57.310 is amended to read as follows:

The following officers and libraries are entitled free of charge to copies of the journals of each house of the general assembly, as they are published: Each member of the general assembly, one (1) copy for the session in which he served; [the law library of each county, one (1) copy;] the governor and secretary of state, one (1) copy each; the state law library, *two (2)* [six (6)] copies; the legislative research commission, five (5) copies for the use of the senate and ten (10) copies for the use of the house of representatives; the law library of the University of Kentucky, the law library of the University of Louisville, the Library of Congress, the Kentucky Historical Society, and each of the state universities in Kentucky and Kentucky State College, two (2) copies each.

The Committee Amendment No. 1 to **SB 365** is as follows:

Amend printed copy of **SB 365** page 7, on line 23, by deleting the opening bracket and the dashes through "the law library of each county, one (1)";

and on line 24, by deleting the dashes through the word "copy;" and by deleting the closing bracket;

and on line 24, by inserting after the first "copy" and before the semicolon the following: "*, upon request*".

The Committee on Labor and Industry reported **HB 483** with Committee Substitute attached thereto, **HB 420** with Committee Amendments attached thereto, and **SB 14** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 483, AN ACT relating to unemployment compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 341.100 is amended to read as follows:

(1) In determining for any purpose under this chapter whether or not any work is suitable for a worker the secretary shall consider, among other pertinent conditions, the degree of risk involved to his health, safety and morals; his physical fitness and prior training; his experience and prior earnings; his length of unemployment and prospects for securing local work in his customary occupation; and the distance of the available work from his residence.

(2) For the purpose of this chapter, no work shall be suitable nor shall benefits be denied under this chapter to any otherwise eligible worker for refusing to accept new work or new conditions of work under one or more of the following:

(a) If the position offered is vacant due directly to a strike, lock-out or other labor dispute;

(b) *If acceptance of such work would displace another employe;*

(c) If the wages, hours, or other conditions of the work offered are substantially less favorable than those prevailing for similar work in the locality;

(d)[(c)] If, as a condition of being employed, the worker would be required to join a company union or to resign from or refrain from joining any bona fide labor organization;

(e)[(d)] If the acceptance of such work would be prejudicial to the continuance of an established employer-employe relationship to which the worker is a party.

Section 2. KRS 341.370 is amended to read as follows:

(1) According to the circumstances in each case, a worker shall be disqualified from receiving benefits:

(a) For not less than one (1) nor more than sixteen (16) weeks immediately following the commission of the disqualifying act, if, subsequent to his most recent work, he has failed without good cause either to apply for available, suitable work when so directed by the employment office or the secretary or to accept suitable work when offered him, or to return to his customary self-employment when so directed by the secretary; or

(b) For not less than six (6) nor more than sixteen (16) weeks immediately following the commission of the disqualifying act, if he has been discharged for misconduct connected with his most recent work, but legitimate activity in connection with labor organizations or failure to join a company union shall not be construed as misconduct.

(2) A worker shall be disqualified from receiving benefits for the duration of any period of unemployment with respect to which:

(a) He was discharged for dishonesty in connection with his most recent work;

(b) He voluntarily quit his most recent work to marry or for the purpose of attending school, or to become self-employed; or

(c) He has left his most recent suitable work voluntarily without good cause.

(3) A worker shall be disqualified from receiving benefits for any week with respect to which he knowingly made a false statement to establish his right to or the amount of his benefits, and, within the succeeding twenty-four (24) months, for such additional weeks immediately following the date of discovery, not to exceed a total of fifty-two (52), as may be determined by the secretary.

(4) No worker shall be disqualified under paragraph (b) of subsections (1) or (2) of this section unless the employer, within a reasonable time as prescribed by secretary's regulation, notifies the department for human resources and the worker in writing of the alleged voluntary quitting or the discharge for misconduct; Provided, however, That nothing in this subsection shall restrict the right of the secretary for human resources to disqualify a worker whose employer has refused or failed to notify the department for human resources of the alleged voluntary quitting or discharge for misconduct if such alleged voluntary quitting or discharge for misconduct is known to the secretary for human resources prior to the time benefits are paid to such worker; Provided, further, That the exercise of such right by the secretary for human resources, in the absence of timely notice from the employer, shall not relieve the employer's reserve account of benefit charges under the provisions of subsection (3) of KRS 341.530.

(5) *No worker shall be disqualified from receiving benefits because of any provision in a collective bargaining agreement or because of any past practice which provides procedures for maintaining a partial work force during a shutdown.*

(6) As used in this section and in subsection (3) of KRS 341.530, "most recent" work shall be construed as that work which occurred after the first day of the worker's base period and which last preceded the week of unemployment with respect to which benefits are claimed; except that, if the work last preceding such week of unemployment was intermittent or temporary in nature, most recent work may be construed as that work last preceding such intermittent or temporary work.

The Committee Substitute to **HB 483** is as follows:

Committee Substitute for **HB 483,** AN ACT relating to unemployment compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 341.100 is amended to read as follows:

(1) In determining for any purpose under this chapter whether or not any work is suitable for a worker the secretary shall consider, among other pertinent conditions, the degree of risk involved to his health, safety and morals; his physical fitness and prior training; his experience and prior earnings; his length of unemployment and prospects for securing local work in his customary occupation; and the distance of the available work from his residence.

(2) For the purpose of this chapter, no work shall be suitable nor shall benefits be denied under this chapter to any otherwise eligible worker for refusing to accept new work or new conditions of work under one or more of the following:

(a) If the position offered is vacant due directly to a strike, lock-out or other labor dispute;

(b) *If acceptance of such work would displace another employe;*

(c) If the wages, hours, or other conditions of the work offered are substantially less favorable than those prevailing for similar work in the locality;

(d)[(c)] If, as a condition of being employed, the worker would be required to join a company union or to resign from or refrain from joining any bona fide labor organization;

(e)[(d)] If the acceptance of such work would be prejudicial to the continuance of an established employer-employe relationship to which the worker is a party.

Section 2. KRS 341.370 is amended to read as follows:

(1) According to the circumstances in each case, a worker shall be disqualified from receiving benefits:

(a) For not less than one (1) nor more than sixteen (16) weeks immediately following the commission of the disqualifying act, if, subsequent to his most recent work, he has failed without good cause either to apply for available, suitable work when so directed by the employment office or the secretary or to accept suitable work when offered him, or to return to his customary self-employment when so directed by the secretary; or

(b) For not less than six (6) nor more than sixteen (16) weeks immediately following the commission of the disqualifying act, if he has been discharged for misconduct connected with his most recent work, but legitimate activity in connection with labor organizations or failure to join a company union shall not be construed as misconduct.

(2) A worker shall be disqualified from receiving benefits for the duration of any period of unemployment with respect to which:

(a) He was discharged for dishonesty in connection with his most recent work;

(b) He voluntarily quit his most recent work to marry or for the purpose of attending school, or to become self-employed; or

(c) He has left his most recent suitable work voluntarily without good cause.

(3) A worker shall be disqualified from receiving benefits for any week with respect to which he knowingly made a false statement to establish his right to or the amount of his benefits, and, within the succeeding twenty-four (24) months, for such additional weeks immediately following the date of discovery, not to exceed a total of fifty-two (52), as may be determined by the secretary.

(4) No worker shall be disqualified under paragraph (b) of subsections (1) or (2) of this section unless the employer, within a reasonable time as prescribed by secretary's regulation, notifies the department for human resources and the worker in writing of the alleged voluntary quitting or the discharge for misconduct; Provided, however, That nothing in this subsection shall restrict the right of the secretary for human resources to disqualify a worker whose employer has refused or failed to notify the department for human resources of the alleged voluntary quitting or discharge for misconduct if such alleged voluntary quitting or discharge for misconduct is known to the secretary for human resources prior to the time benefits are paid to such worker; Provided, further, That the exercise of such right by the secretary for human resources, in the absence of timely notice from the employer, shall not relieve the employer's reserve account of benefit charges under the provisions of subsection (3) of KRS 341.530.

(5) *Neither a provision of a collective bargaining agreement permitting or requiring an employer to shut down in whole or part nor past practice that demonstrates a regular shutdown period shall disqualify any employe from receiving unemployment benefits during any period when an employer shuts down all or part of its operations.*

(6) As used in this section and in subsection (3) of KRS 341.530, "most recent" work shall be construed as that work which occurred after the first day of the worker's base period and which last preceded the week of unemployment with respect to which benefits are claimed; except that, if the work last preceding such week of unemployment was intermittent or temporary in nature, most recent work may be construed as that work last preceding such intermittent or temporary work.

HB 420, AN ACT relating to the designation of the coon hound as the official state dog of the Commonwealth of Kentucky.

WHEREAS, the coon hound, that bugle voiced denizen of the fields and forests of the Commonwealth, is most representative of the many hundreds of canine species indigenous to Kentucky; and

WHEREAS, this breed, whether of the variety red bone, blue tick, black and tan, or walker, exhibits so many desirable qualities as to render its depiction as a state symbol most suitable and appropriate; and

WHEREAS, its intelligence, strength, good natured disposition, loyalty, and lean, efficient appearance make the coon hound a most admirable model toward which all Kentuckians may look with pride as their official canine; and

WHEREAS, in this doggone, dog-eat-dog, dog eared, dogged, dog faced, dog legged, doggish dog fight known as life seldom does so pure and uncluttered a symbol as the lovable coon hound offer itself for all to admire;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:

The coon hound is named and designated as the Kentucky state dog.

The Committee Amendment No. 1 to **HB 420** is as follows:

Amend printed copy of **HB 420,** on page 2, following line 3, insert the following new section:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:

Compliance with this Act shall not affect existing supplied of state promotional materials."

The Committee Amendment No. 2 to **HB 420** is as follows:

Amend printed copy of **HB 420,** on page 2, following line 3, insert the following new section:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:

The state coon hound shall be officially referred to as "Old Blue."

SB 14, AN ACT relating to wage discrimination.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 337.420 is amended to read as follows:

(1) "Employe" means any individual employed by any employer, including but not limited to individuals employed by the state or any of its political subdivisions, instrumentalities, or instrumentalities of political subdivisions.

(2) "Employer" means a person who has *two (2)* [eight (8)] or more employes within the state in each of twenty (20) or more calendar weeks in the current or preceding calendar year and an agent of such a person.

(3) "Wage rate" means all compensation for employment, including payment in kind and amounts paid by employers for employe benefits, as defined by the commissioner in regulations issued under KRS 337.420 to 337.433 and 337.992.

(4) "Employ" includes to suffer or permit to work.

(5) "Occupation" includes any industry, trade, business or branch thereof, or any employment or class of employment.

(6) "Commissioner" means the commissioner of labor.

(7) "Person" includes one or more individuals, partnerships, corporations, legal representatives, trustees, trustees in bankruptcy, or voluntary associations.

The Committee on Natural Resources and Environment reported **HB 445, HB 536, HB 559, HCR 108, HR 117, SB 268,** and **SCR 18** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 445, AN ACT relating to selection of candidates for the fish and wildlife commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 150.022 is amended to read as follows:

(1) The department of fish and wildlife resources commission shall consist of nine (9) members, one (1) from each wildlife district, as set out by the commissioner with the approval of the commission, and not more than five (5) of the same political party.

(2) The governor shall appoint the members of the commission. Each of such members shall be appointed for a term of four (4) years.

(3) Vacancies through the expiration of terms of the members of the commission shall be filled by appointment by the governor from a list of five (5) names from each wildlife district, recommended and submitted by the sportsmen of each respective district. When the term of a member expires, the commissioner shall call a meeting of the sportsmen in that district not later than thirty (30) days prior to the expiration of such member's term. Notice of the meeting shall be given by publication pursuant to KRS chapter 424. At such meeting, the sportsmen in attendance shall select and submit to the governor a list of five (5) residents and citizens of the district who are well informed on the subject of wildlife conservation and restoration. *Each sportsman may vote for one candidate only, and the list submitted to the governor shall be made up*

of the names of the five candidates receiving the five highest vote totals. The governor shall appoint a successor to the member whose term is about to expire within sixty (60) days following the submission to him of the list hereinabove referred to, and in no event later than August 13.

(4) Upon appointment to the commission of the department of fish and wildlife resources, each commissioner shall execute a bond of one thousand dollars ($1,000) in favor of the department of fish and wildlife resources, the premium on said bond to be paid out of department funds.

(5) In the event of vacancies other than by expiration, the governor shall fill the vacancy for the unexpired part of the term from the names remaining on the list previously submitted for the district from which the vacancy arose.

(6) Each member of the commission shall take the constitutional oath of office.

(7) The governor may remove any member of the commission for inefficiency, neglect of duty, or misconduct in office; but shall first deliver to such member a copy of all charges in writing and afford to him an opportunity of being publicly heard in person or by counsel in defense of such charges, upon not less than ten (10) days' notice. If a member shall be removed, the governor shall file in the office of the secretary of state a complete statement of all charges made against such member and his findings thereon, together with a complete record of the proceedings.

(8) Each member of the commission shall be entitled to reimbursement for actual and necessary traveling and other expenses incurred by him in the discharge of his official duties and to be paid from the game and fish fund.

(9) A majority of the commission shall constitute a quorum for the transaction of any business, for the performance of any duty or for the exercise of any power vested in the commission.

(10) The department shall have its principal office in Franklin County, and is authorized to purchase all supplies, equipment and printed forms and to issue such notices and publications as the commissioner may deem necessary to carry out the provisions of this chapter.

(11) The word "sportsman" as used in this section shall mean a resident hunter or fisherman who has been licensed in Kentucky for each of the past two (2) consecutive years.

HB 536, AN ACT relating to hunting and fishing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 150.170 is amended to read as follows:

(1) Except as provided in subsections (2), (3), (4), (5), (6), [and] (7), *and (9)* of this section, and subject to regulations adopted under this chapter, no person, resident or nonresident, shall do any act authorized by any kind of license or permit, or assist in any way any person in doing any act provided for in this chapter with respect to game and fish unless he holds the kind of license or permit, resident or nonresident, that authorizes such act. It is the specific purpose of this chapter to prohibit the taking or pursuing of any wildlife, protected or unprotected, or the fishing in any stream or body of water whether public or private, without first procuring the license provided for herein, except to such extent as may be otherwise provided in this section.

(2) A person under sixteen (16) years of age may, without a sport fishing license, take fish by angling, or take minnows by the use of a minnow seine, minnow trap or dip net.

(3) The resident owner of farmlands, his spouse or dependent children, shall, without procuring any sport hunting or sport fishing licenses, have the right to take fish or hunt during the open season (except trapping) on said farmlands of which they are bona fide owners. Tenants or their dependent children, residing upon said farmlands, shall have the same privilege.

(4) Residents or nonresidents attending and participating in any field trial as authorized by the department may so attend and participate without obtaining a hunting license so long as game is not taken.

(5) Any resident who is sixty-five years of age or older may, without any sport hunting or sport fishing licenses, do any act authorized by such licenses, but while so doing he must carry upon his person an affidavit stating the year of his birth and place of residence.

(6) Any resident serviceman on furlough of more than three days may, in the county of his legal residence at the time of his entrance into the service, without any sport hunting or sport fishing licenses, do any act authorized by such licenses, but while so doing he must carry on his person proper identification and papers showing his furlough status.

(7) Resident landowners, their spouses or dependent children who kill or trap on their lands any wild animals or birds causing damage to such lands or any personal property situated thereon, shall not be required to have a hunting or trapping license. Tenants or their dependent children residing upon said lands shall also have the same privilege. Upon destruction of any animal or bird by the above specified individuals, such act

must be reported to the department or the resident conservation officer for the proper disposition of the carcass.

(8) In the event a reciprocal agreement is entered into between the commissioner, with the approval of the commission, and the similar authority of Missouri, Tennessee, Virginia and West Virginia, persons holding a resident or nonresident fishing or a resident or nonresident statewide hunting license issued in these states are permitted to perform the acts authorized by such license upon certain contiguous waters and land areas adjacent to the common boundaries of the above-mentioned states and the state of Kentucky. A resident of the state of Kentucky must purchase a proper Kentucky license to conform with the reciprocal agreement.

(9) Any resident who is declared totally and permanently disabled by the federal social security administration or by the state workmen's compensation board may, without any sport hunting or sport fishing licenses, do any act authorized by such licenses.

HB 559, AN ACT relating to dams.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 151.125 is amended to read as follows:

The secretary shall exercise the following authority and powers:

(1) To administer and enforce the provisions of this chapter and all rules and regulations and orders promulgated thereunder;

(2) To conduct or obtain investigations, research, experiments, training programs and demonstrations, and to collect and disseminate information relating to the safe construction, operation, or maintenance of dams and reservoirs;

(3) To adopt, after giving public notice and affording an opportunity to all interested persons to appear and offer evidence at a public hearing in connection therewith, general rules and regulations for flood control and water resources which he deems necessary to accomplish the purpose of this chapter. Such rules and regulations, which shall have the force and effect of law, shall be of uniform application as far as practicable, but they may take proper account of differences in topography, geology, soil conditions, climate, hydrology, and use of the reservoir and the lands lying in the floodplain downstream from the dam;

(4) To adopt, without notice or hearing, rules and regulations with respect to procedural aspects of hearings, the filing of reports and orders, [the issuance of certificates of inspection,] construction permits, water withdrawal permits, and other procedural matters;

(5) To issue orders requiring the adoption by an owner of remedial measures necessary for the safety of life, or public or private property, or for carrying out the provisions of this chapter, or rules and regulations issued thereunder;

(6) To examine and approve or disapprove applications for construction permits for the construction, enlargement, repair, or alteration of a dam;

(7) To establish standards for the safe construction, enlargement, repair, alteration, maintenance, or operation of a dam or reservoir. Such standards shall be issued in the form of regulations as described in subsection (3) of this section;

(8) To make such investigations or inspections as necessary to determine the condition of a dam to insure compliance with any provisions of this chapter, including the right to enter at any time upon an area affected for such purposes and the right of ingress and egress across intervening properties;

(9) To order the suspension or revocation, after warning, of any [certificate of inspection,] construction permit[,] or water withdrawal permit for failure to comply with any of the provisions of this chapter or with any rules, regulations or orders adopted pursuant thereto, or with any of the conditions contained in or attached to the [certificate of inspection,] construction permits[,] or water withdrawal permits;

(10) To order the immediate cessation of any act that is started or continued without a construction permit or water withdrawal permit as required by the provisions of this chapter.

(11) To institute and prosecute all such court actions as may be necessary to obtain the enforcement of any order issued by the department in carrying out the provisions of this chapter.

Section 2. KRS 151.295 is amended to read as follows:

(1) The public safety and welfare requiring it, the secretary shall conduct a program of regular inspections of dams and reservoirs within the state. The frequency of such inspections shall be as determined by the secretary, who may establish different inspection intervals.

(2) A safety inspection report will be issued for each inspection; in issuing a safety inspection report, the department may impose such conditions relating to the inspection, operation, maintenance, alteration, repair, use, or control of a dam or reservoir as it determines are necessary for the protection of public health, safety or welfare.

(3) In performing inspections, the department may establish hazard categories for dams based on downstream floodplain use, size, or type of dam, or other criteria, and may impose different conditions or types of conditions on the operation of dams or reservoirs in the different categories.

(4) In performing safety inspections, the department may utilize the results and information provided by or for the United States Army Corps of Engineers pursuant to the provisions of Public Law 92-367.

Section 3. KRS 151.297 is amended to read as follows:

(1) Whenever [the department determines that any person to which a certificate of inspection has been issued has failed to comply with the conditions in said certificate or whenever] the department determines that life or property are or may be endangered by the failure or incapacity of any dam, reservoir, levee, embankment, or other water barrier, or by any other cause related to a dam or reservoir, levee, embankment, or other water barrier irrespective of any condition or the lack thereof in the *safety inspection report* [certificate of inspection] for said dam or reservoir, or in those instances where no *safety inspection* [certificate] is required on levee, embankment or other water barrier, the department shall order the owner thereof to take such action as is necessary to render the dam, reservoir, levee, embankment, or other water barrier safe.

(2) When the department determines that the dam, reservoir, levee, embankment, or other water barrier has been abandoned; or where the owner fails, in the judgment of the department, to take satisfactory action toward compliance with an order, issued pursuant to this section; or where an owner fails to maintain a satisfactory rate of progress toward full compliance therewith; or where in the judgment of the department, the danger to life or property will not permit delay, the department *may* [shall] declare that an emergency exists and *may* [shall] take such action as it deems necessary to render the dam, reservoir, levee, embankment, or other water barrier safe, which action may include, but is not limited to:

(a) Taking full charge and control of the dam, reservoir, levee, embankment, or other water barrier;
(b) Lowering the water level or emptying the reservoir;
(c) Performing any necessary remedial or protective work at the site;
(d) Taking such other steps as may be necessary to safeguard life and property; or
(e) Removing the dam, reservoir, levees, embankment, or other water barrier.

(3) The department may continue such action until the dam, reservoir, levee, embankment, or other water barrier involved is rendered safe or the emergency requiring the action has ceased. The secretary is authorized to enter into contracts or agreements with other state, local, or federal agencies, or other persons, for work necessary to implement such necessary actions.

(4) Any person to whom an order is directed pursuant to this section shall comply therewith immediately, but, on petition to the department, may within five (5) working days have a hearing thereon.

Section 4. KRS 151.293 - Certificates of inspection - is repealed.

HCR 108, A CONCURRENT RESOLUTION directing the Program Review and Investigation Committee to review and evaluate the Water Resources Authority of Kentucky.

WHEREAS, the General Assembly created the Water Resources Authority of Kentucky; and

WHEREAS, the Water Resources Authority of Kentucky was given certain powers and authority to provide for the development of Kentucky's water resources; and

WHEREAS, no thorough review of the activities of the Water Resources Authority of Kentucky has been conducted by the General Assembly;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Program Review and Investigation Committee is directed to review and evaluate the functional effectiveness of the Water Resources Authority of Kentucky.

Section 2. That the Program Review and Investigation Committee make the results of its investigation available to the members of the General Assembly not later than December 1, 1980.

Section 3. Staff services to be utilized in completing this study are estimated to cost $10,000. These staff services shall be provided from the regular Commission budget and are subject to the limitations and other research responsibilities of the Commission.

HR 117, A RESOLUTION requesting the department of fish and wildlife resources to revise and clarify its regulations relating to trapping.

WHEREAS, the General Assembly has invested the department of fish and wildlife resources with the authority and duty to regulate hunting, trapping and fishing in order to protect the animal species of the Commonwealth; and

WHEREAS, the department of fish and wildlife resources diligently attempts to carry out its mandate to regulate trapping in such a manner as to protect domestic animals that may be in trapping areas; and

WHEREAS, some confusion has resulted over existing trapping regulations and such confusion could be eliminated by a review and clearer definition of existing regulations;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the department of fish and wildlife resources is requested to review and clarify its regulations relating to trapping, particularly as they relate to the setting of traps in order to protect domestic animals.

Section 2. That a copy of this resolution be sent to the commissioner of the department of fish and wildlife resources.

SB 268, AN ACT relating to regulation of solid and hazardous waste.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 224.252, Regulations restriction, is repealed.

SCR 18, A CONCURRENT RESOLUTION directing the Legislative Research Commission to study wood-using industries and incentives for developing wood-using industries in Kentucky.

WHEREAS, Kentucky produces approximately 300 million board feet of grade lumber per year; and

WHEREAS, two-thirds of the grade lumber produced is shipped to other states for use in manufacturing; and

WHEREAS, other wood producing states, notably North Carolina, Michigan, Indiana, Tennessee, and California, have developed significant wood-using industries; and

WHEREAS, the Kentucky Appalachian Development Council has recommended that a study be made of incentives for developing wood-using industries in Kentucky;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Legislative Research Commission shall conduct a study of types of wood-using industries that would be suitable to Kentucky and incentives, including but not limited to tax incentives, which might be used to encourage the development of such wood-using industries in Kentucky.

Section 2. That the findings and recommendations of the study shall be reported to the appropriate interim committee no later than September 1, 1981.

Section 3. Staff services to be utilized in completing this study are estimated to cost seven thousand dollars ($7,000). These staff services shall be provided from the regular commission budget and are subject to the limitations and other research responsibilities of the commission.

The Committee on Natural Resources and Environment reported **HR 118** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Consent Calendar.

HCR 118, A CONCURRENT RESOLUTION directing that a study committee be formed to analyze all state programs providing assistance to small coal operators.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the General Assembly believes that the continuance of Kentucky Small Operator's Technical Assistance Program is vital to the continued vitality of the coal industry in Kentucky; that its primary function of providing technical assistance and special expertise to Kentucky's small coal operators for the permanent regulatory program is essential; and that the program should be continued at its current level for the next biennium.

Section 2. That a study committee be created to analyze all state programs providing assistance to small coal operators. The study committee shall be composed of eight members of the General Assembly, four to be appointed by the Speaker of the House of Representatives and four to be appointed by the President Pro Tempore of the Senate.

Section 3. That the study committee make available to the members of the General Assembly its findings along with any recommendations not later than June 1, 1981.

Section 4. Staff services to be utilized in completing this study are estimated to cost $7,000. These staff services shall be provided from the regular budgets of the Council on Higher Education and the Legislative Research Commission and are subject to the limitations and other research responsibilities of these agencies.

The Committee on State Government reported **HB 380,** and **HB 519** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee Substitute to **HB 519** is as follows:

Committee Substitute for **HB 519,** AN ACT relating to area planning commissions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 147 IS CREATED TO READ AS FOLLOWS:

Upon request of a city, county, or planning commission, an area planning commission may enter into a contractual agreement to serve in the capacity of administrative official which is authorized to administer any provision of:

(1) Any zoning regulation;

(2) Any subdivision regulation;

(3) Any other land use control regulation; and

(4) Any provision of any housing or building regulation and including inspection of installation of improvements required by applicable subdivision regulations.

SECTION 2. A NEW SECTION OF KRS 147 IS CREATED TO READ AS FOLLOWS:

(1) In no event shall an area planning commission serve in the capacity of an administrative official in any area outside of its present jurisdiction.

(2) All contracts entered into between an area planning commission and a city, county, or planning commission for services as an administrative official shall be subject to cancellation without cause at any time by either party giving the other party thirty (30) days' written notice.

(3) Complete applications for building and zoning permits for single and two (2) family residential structures shall be acted upon within five (5) working days. If denied, written notice shall be given stating the reasons therefor citing specific sections of the codes.

(4) A full disclosure of the operations of the building and zoning administration program, detailing permits issued, fees received and administrative costs, shall be made annually by the area planning commission to the area planning council.

(5) All contracts entered into between an area planning commission and a city or county for administration of housing or building regulations shall contain specific time limits for the various administrative tasks to be performed by the area planning commission.

(6) A city or county entering into a contract with an area planning commission for administration of housing or building regulations shall establish a local appeals board whose procedures shall conform to KRS 198B.070.

(7) Building permit fees shall reflect actual costs of enforcement. Single family residential building permit fees shall not exceed two hundred fifty dollars ($250). The city or county shall be required to hold a public hearing on any proposed building fee schedule at least thirty (30) days prior to the date of adoption of such fee schedule.

Section 3. KRS 147.675 is amended to read as follows:

Except as provided in Section 1 of this Act, the provisions of KRS 147.610 through 147.990 shall be construed to confer on the area planning commission an advisory capacity only.

SECTION 4. A NEW SECTION OF KRS CHAPTER 147 IS CREATED TO READ AS FOLLOWS:

Section 1(4) and Section 2(5), (6), and (7) of this Act are repealed effective June 30, 1982, unless reenacted by the general assembly prior to that date. Any contracts between an area planning commission and a city or county affected by the repeal of Section 1(4) and Section 2(5), (6), or (7) shall also expire effective June 30, 1982.

The Committee on State Government reported **HB 251** with Committee Amendment attached thereto, **HB 514** with Committee Substitute attached thereto, **HB 930, HR 121** with Committee Amendment attached thereto, **SB 11, SB 108,** and **SB 233** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 251, AN ACT relating to retirement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 16.541 is amended to read as follows:

(1) Any person who prior to July 1, 1976, left the state police or its predecessor in order to enter the armed forces of the United States and who is re-employed by the state police after the effective date of the system is entitled to have credited as current service his period of service in such armed forces, not to exceed six (6) years, provided he applies for reinstatement within two (2) years of discharge, which must be honorable, or within two (2) years of a subsequent termination of any total disability, and, subject to the approval of the state police personnel board, is re-employed.

(2) Any person who prior to the effective date of the system left the state police or its predecessor in order to enter the armed forces of the United States and who was re-employed within two (2) years after his honorable discharge therefrom prior to the effective date of the system shall be entitled to have credited as service his period of service in the armed forces, not to exceed six (6) years.

(3) Any member *employed on or before April 15, 1980 shall* upon completion of five (5) years of service [shall] receive current service for a maximum of four (4) years for his period of service in the armed forces of the United States, if his discharge therefrom is honorable and he has not been credited with such service under subsections (1) and (2) of this section provided he pays thirty-five percent (35%) of the cost of such service based on the formula adopted by the board; however, members who were taken prisoner by a hostile power at any time during their active military service shall receive current service credit without payment of the thirty-five percent (35%). The payment by the member shall be deposited to his individual member's account. The remaining sixty-five percent (65%) shall be paid by the state, [from funds appropriated specifically for such purpose] and these payments shall be deposited to the retirement allowance account. *Funds necessary to meet the state's share of the cost of the current service credit shall be deemed a necessary governmental expense and paid by the state treasurer upon request by the board and approval by the department of finance* [If no funds are available in the special appropriation account the board shall not accept employe payments until such time funds are available in the account].

(4) *Employe payments toward the purchase of military service credit may be made in installments over a period of time not to exceed in length the length of time of the military service being purchased; employers shall deduct such payments from the pay of any employe so requesting. The board shall determine the frequency and amounts of such payments or payroll deductions.*

(5) Effective July 1, 1978, no veteran shall be eligible to purchase military service credit under this section if he is receiving a military pension or is eligible for such pension in the future.

(6) Notwithstanding the provisions of subsection (3) of this section, after April 15, 1985 no employe shall be eligible to purchase military service credit, and after such date neither shall the board accept employe payments nor shall the state make payments for the purchase of military service credit.

Section 2. KRS 61.555 is amended to read as follows:

(1) Prior to July 1, 1976, any employe entering the armed forces of the United States after he first participates in the system, being on leave of absence from service and not withdrawing his accumulated contributions, shall be entitled to have credited as current service his period of service in the armed forces of the United States, not to exceed six (6) years, if his discharge therefrom is honorable and he is re-employed within two (2) years after discharge, or upon the subsequent termination of any total disability which existed at the expiration of the two (2) years after discharge.

(2) Any member of the system who, prior to the date he first participated in the system, terminated his employment in order to enter the armed forces of the United States and who was or is re-employed within two (2) years after his honorable discharge therefrom, or upon the subsequent termination of any total disability which existed at the expiration of the two (2) years after discharge, shall be entitled to have credited as prior service his period of service in the armed forces, not to exceed six (6) years.

(3) Any national guard technician involuntarily serving on active military duty during the period between January 26, 1968, and January 1, 1970, who completes his eight (8) years service while on military duty during this period, shall have that portion of his service, necessary to the completion of eight (8) years current service, credited to his account, as current service without having to meet the re-employment criteria.

(4) Any employe *employed on or before April 15, 1980 who is* eligible for retirement as prescribed in KRS 61.559 or *who has completed* [any employe upon completion of] five (5) years of service shall receive current service credit for a maximum of four (4) years for his period of service in the armed forces of the United States, if his discharge therefrom is honorable and he has not been credited with such service under subsections (1) to (3) of this section provided he pays thirty-five percent (35%) of the cost of such service based on the formula adopted by the board. The payment by the member shall be deposited to his individual member's account. The remaining sixty-five percent (65%) shall be paid by the state, [from funds appropriated specifically for such purpose] and these payments shall be deposited to the respective retirement allowance accounts. *Funds necessary to meet the state's share of the cost of the current service credit shall be deemed a necessary governmental expense and paid by the state treasurer upon request by the board and approval by the department of finance* [If no funds are available in the special appropriation account the board shall not accept employe payments until such time as funds are available in the account].

(5) *Employe payments toward the purchase of military service credit may be made in installments over a period of time not to exceed in length the length of time of the military service being purchased; employers shall deduct such payments from the pay of any employe so requesting. The board shall determine the frequency and amounts of such payments or payroll deductions.*

(6) A member eligible to purchase military service credit under subsection (4) of this section shall receive current service credit for military service as provided under subsection (4) of this section without payment of the current employe contribution ratio if such member was taken prisoner by a hostile power at any time during active military service.

(7)[(6)] Effective July 1, 1978, no veteran shall be eligible to purchase military service credit under this section if he is receiving a military pension or is eligible for such pension in the future. Provided, that nothing in this section shall prohibit such purchase of credit where the military pension results from service primarily on inactive duty in a reserve component of the armed forces.

(8) Notwithstanding the provisions of subsection (4) of this section, after April 15, 1985 no employe shall be eligible to purchase military service credit, and after such date neither shall the board accept employe payments nor shall the state make payments for the purchase of military service credit.

Section 3. KRS 78.545 is amended to read as follows:

The following matters shall be administered in the same manner subject to the same limitations and requirements as provided for the Kentucky employes retirement system as follows:

(1) Cessation of membership, conditions, as provided for by KRS 61.535;
(2) Statement of member and employer, as provided for by KRS 61.540;
(3) Beneficiary to be designated by member, change, rights, as provided for by KRS 61.542;
(4) Service credit determination, as provided for by KRS 61.545;
(5) Cessation of membership, loss of benefits, as provided for by KRS 61.550;
(6) Service credit, armed forces, as provided for by KRS 61.555 *as amended by this Act*;
(7) Normal and early retirement eligibility requirements, as provided for by KRS 61.559;
(8) Retirement allowance increases as provided for by KRS 61.691;
(9) Retirement application procedure, effective retirement date, as provided for by KRS 61.590;
(10) Disability retirement, conditions, as provided for by KRS 61.600;
(11) Disability retirement, allowance, as provided for by KRS 61.605;
(12) Medical examination after disability retirement, as provided for by KRS 61.610;
(13) Disability retirement allowance, reduction, as provided for by KRS 61.615;
(14) Determination of retirement allowance as provided for by KRS 61.595;
(15) Refund of contributions, conditions, as provided for by KRS 61.625;
(16) Refund of contributions, death after retirement, as provided for by KRS 61.630;
(17) Optional retirement plans as provided for by KRS 61.635;
(18) Suspension of retirement payments on reemployment, reinstatement, as provided for by KRS 61.637;
(19) Death before retirement, beneficiary's options, as provided for by KRS 61.640;
(20) Board of trustees, conflict of interest, as provided for by KRS 61.655;
(21) Custodian of funds, payments made, when, as provided for by KRS 61.660;
(22) Medical examiners, as provided for by KRS 61.665;
(23) Actuarial bases, as provided for by KRS 61.670;
(24) Employer's administrative duties, as provided for by KRS 61.675;
(25) Correction of errors in records, as provided for by KRS 61.685;
(26) Exemptions of retirement allowances, as provided for by KRS 61.690;

(27) Credit for service prior to membership date, as provided for by KRS 61.526;
(28) Creditable compensation of fee officers, as provided for by KRS 61.541;
(29) Transfer of dormant accounts, as provided for by KRS 61.626;
(30) Members' account, confidential, as provided for by KRS 61.661;
(31) Retirement plan for employes determined to be in a hazardous position, as provided for by KRS 61.592;
(32) Maximum disability benefit, as provided for by KRS 61.607;
(33) Consent of employes to deductions and reciprocal arrangement between systems, as provided for by KRS 61.680;
(34) Employer contributions, as provided for by KRS 61.565; and
(35) Recontribution and delayed contribution payments, as provided for by KRS 61.552.

The Committee Amendment No. 1 to **HB 251** is as follows:

Amend printed copy of **HB 251,** page 2, line 22, by inserting after the word "*finance*" the words "*; provided that in neither fiscal year 1980-81 nor fiscal year 1981-82 shall such payment exceed one hundred fifty thousand dollars ($150,000)*"; and

on page 5, line 15, by inserting after the word "*finance*" the words "*; provided that in neither fiscal year 1980-81 nor fiscal year 1981-82 shall such payment exceed one hundred fifty thousand dollars ($150,000)*".

HB 514, AN ACT relating to capital construction.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 45.750 is amended to read as follows:

(1) As used in KRS 45.750 to 45.800:

(a) "Committee" means the capital construction and equipment purchase oversight committee.

(b) "Capital construction" includes:

(i) The construction, reconstruction and structural maintenance of buildings;

(ii) The installation of utility services, including roads and sewers;

(iii) The acquisition of land for the construction or reconstruction of a building or for the installation of utility services;

(iv) The purchase and installation initially of equipment, facilities and furnishings of a permanent nature for buildings; and

(v) The purchase and installation initially of movable equipment, furnishings and appurtenances necessary to make a building operable.

(c) "Capital construction project" means any capital construction item, or any combination of capital construction items necessary to make a building or utility installation complete, estimated to cost two hundred thousand dollars ($200,000) or more.

(d) "Major item of equipment" means an item of movable equipment, estimated to cost fifty thousand dollars ($50,000) or more, that is not an item of capital construction as defined in paragraph (b) of this subsection.

(e) *"Purchase of equipment" shall include, but not be limited to, equipment purchased or otherwise acquired, or equipment to be purchased or otherwise to be acquired under a lease-purchase contract or agreement, or an arrangement equivalent to a lease-purchase contract or agreement.*

(f) "Emergency repair, maintenance or replacement project" means the maintenance, repair or reconstruction of a capital construction project or the maintenance, repair or replacement of a major item of equipment that is:

(i) Necessitated by injury or damage resulting from a disaster; or

(ii) Necessary to maintain government operations or to prevent or minimize injury or damage that could reasonably be expected to result from an impending disaster; or

(iii) Necessitated by an unforeseen mechanical breakdown, electrical breakdown, or structural defect that must be corrected to make a facility or item of equipment usable.

(g)[(f)] "Disaster" means a fire, flood, tornado, other natural disaster, riot, enemy attack, sabotage, explosion, power failure, energy shortage, transportation emergency, or other man caused disaster.

(2) KRS 45.750 to 45.800 shall apply to capital construction projects and the purchase of major items of equipment for use by the state government or one of its departments or agencies, including institutions of higher education, but excluding capital construction projects or equipment purchases under the

jurisdiction of the bureau of highways or the turnpike authority of Kentucky. KRS 45.750 to 45.800 shall not apply to political subdivisions.

Section 2. KRS 45.760 is amended to read as follows:

The provisions of any other law notwithstanding:

(1) The governor shall include in the biennial budget report and in the draft appropriation act or acts submitted to each regular session of the general assembly pursuant to KRS 45.030 and 45.040, for the biennium period beginning July 1, 1980 and for each biennium thereafter, a recommended state capital construction program and a recommended program for the purchase of major items of equipment.

(2) The recommended capital construction program shall include:

(a) A complete list and summary description of each specific capital construction project recommended for funding during the biennium; and

(b) For each project:

(i) The agency and purpose for which it will be used;

(ii) The justification for the project;

(iii) Its estimated completion date;

(iv) The total estimated cost of completing the project;

(v) The estimated cost of the project during the biennium;

(vi) The recommended sources of funds for the entire project; and

(vii) The dollar amounts recommended for appropriation and the dollar amounts, listed by source, that are anticipated from every other source of funds for the biennium.

(c) For each project approved in previous biennia that is not included as an item in the recommended program under KRS 45.760, a statement of the project phase accompanied by a statement of the completion date of the project phase and the date the next phase will be initiated.

(3) All information required by subsection (2) of this section shall be included in the biennial budget report. The draft appropriation act or acts shall contain only a complete list of the specific capital construction projects recommended for funding during the biennium and, for each project, the information specified in subparagraphs (v), (vi) and (vii) of subsection (2)(b) of this section.

(4) During any biennium beginning July 1, 1980 and during each biennium thereafter, the amount allotted, from all sources, for expenditure on any project in the state capital construction program for that biennium shall not exceed the estimated cost of the project during that biennium, as shown in the biennial budget report and in the appropriation act or acts enacted by the general assembly, except as provided in KRS 45.770 and 45.780.

(5) The recommended program for the purchase of major items of equipment shall include:

(a) A complete list and summary description of each specific major item of equipment recommended for purchase during the biennium; and

(b) For each major item of equipment:

(i) The agency and purpose for which it will be used;

(ii) The justification for the purchase;

(iii) The estimated cost of the item;

(iv) The recommended sources of funds; and

(v) The dollar amounts recommended for appropriation and anticipated from every other source of funds for the purchase.

(c) For each item of equipment approved in previous biennia that is not included as an item in the recommended program under KRS 45.760, a statement of the available balance of the account in which the item of equipment appears.

(6) All information required by subsection (5) of this section shall be included in the biennial budget report. The draft appropriation act or acts shall contain only a complete list of each specific item of major equipment recommended for purchase during the biennium and, for each item, the information specified in subparagraphs (iii), (iv) and (v) of subsection (5)(b) of this section.

(7) *When the general assembly disapproves a capital construction project or the purchase of an item of major equipment contained in the governor's recommended programs, or disapproves a project or item of equipment that was previously approved by the general assembly, it shall be eliminated as a project or item of equipment in the capital construction fund. Monies appropriated for that project or item of equipment but not allotted, and monies in the project or equipment account shall be transferred to the appropriated but unallotted account in the capital construction fund. Adjustments shall be made in the governor's recommended programs to reflect the additional funds made available by this transfer.*

(8) Projects and items of equipment disapproved under the preceding subsection shall be terminated.

(9) During any biennium beginning July 1, 1980 and during each biennium thereafter, the amount allotted from all sources for expenditure for the purchase of any major item of equipment shall not exceed the estimated cost of the item as shown in the biennial budget report and in the appropriation act or acts enacted by the general assembly and authorizing the purchase, except as provided in subsection *(10)*[(8)] of this section and in KRS 45.770 and 45.780.

(10)[(8)] A major item of equipment to be used for medical, scientific or research purposes, excluding computer equipment *and aircraft*, may be purchased even though it is not specifically listed in the biennial budget report and appropriations act or acts enacted for the current biennium subject to the following conditions and procedures:

(a) Monies specifically appropriated by the general assembly for another purpose shall not be realloted for expenditure on the item;

(b) Funds are available for the purchase and the method of financing the purchase will not require an additional appropriation of state funds to acquire the item; and

(c) The purchasing agency shall, within thirty (30) days after making the purchase, report the purchase to the capital construction and equipment purchase oversight committee.. The report shall include a description of the item, the purpose for which it will be used, the necessity for the purchase, and the amount expended for the purchase from each source of funds used.

(11) The provisions of this Act shall apply to all capital construction projects and major items of equipment approved prior to January 1, 1980.

(12) On or before July 1, 1980, the secretary of the department of finance shall submit to the committee the following information:

(a) A complete list and summary description of every capital construction project and major item of equipment approved prior to January 1, 1980; and

(b) For each project and item of equipment, as of January 1, 1980:

(i) The project phase;

(ii) The project account number, project name, and any other term employed to identify the project or item;

(iii) The available balance in the project or item account, and any sums considered available for that project or item;

(iv) A statement of the transfers of funds to or from the project, item, or project or item account; and, the project or item account, or account, to which transfers from each project or item, project or item account, or account has been made;

(v) The year in which the project or item was approved, with specific reference to the legislation by which the project or item was approved;

(vi) Total expenditure on the project or item;

(vii) A statement that the project or item is either active or inactive;

(viii) The current estimated completion cost, including the amount required for annual inflation;

(ix) A statement that additional funds for the completion of the project or item are or are not required; and, if required, why sufficient funds for completion are not available;

(x) Justification for the project or item.

(c) The balance in the appropriated, but unallotted account; and the balance in any account, however designated, that contains appropriated, but unallotted funds.

Section 3. KRS 45.770 is amended to read as follows:

(1) There is created within the *capital construction fund the* [state treasury a] capital construction and equipment purchase contingency *account* [fund]. The *account* [fund] shall consist of monies appropriated to the fund by the general assembly and income derived from the investment of monies appropriated to the *account, and of monies and income derived from the investment of monies appropriated or transferred to contingency accounts, however designated, within the capital construction fund for projects or items of equipment prior to January 1, 1980* [fund]. The *account* [fund] shall also include income derived from the investment of funds appropriated by the general assembly for capital construction projects or the purchase of major items of equipment prior to the time such funds are allotted for expenditure on the project or item.

(2) Money in the capital construction and equipment purchase contingency *account* [fund] may be transferred to the allotment account of a capital construction project, authorized by the general assembly under KRS 45.760, subject to the following conditions and procedures:

(a) Except as provided in paragraph (d) of this subsection, during any biennium, the amount that may be transferred from the capital construction and equipment purchase contingency *account* [fund] to the allotment account of an authorized project shall not exceed an amount equal to *the lesser of fifteen percent (15%) or two hundred fifty thousand dollars ($250,000)* [twenty-five percent (25%) of the estimated cost of the project, for that biennium, approved by the general assembly in the manner provided by KRS 45.760].

(b) The department of finance may transfer an amount equal to *the lesser of fifteen percent (15%) or two hundred fifty thousand dollars ($250,000)* [fifteen percent (15%) or less of the estimated cost of an authorized project] from the *account* [fund] to the allotment account of the project provided that the department reports the transfer to the capital construction and equipment purchase oversight committee within thirty (30) days after making the transfer. The report shall include documentation of the amount, necessity and purpose of the transfer, the amount already expended on the project prior to and during the current biennium, and any alterations made or planned in the project since its consideration by the general assembly during the most recent regular session.

[(c) The department of finance may transfer, from the fund to the allotment account of an authorized project, an amount equal to more than fifteen percent (15%) but not more than twenty-five percent (25%) of the estimated cost of the project, subject to paragraph (e) of this subsection.]

(c)[(d)] In the event that the cost of an authorized project exceeds *by more than fifteen percent (15%) or two hundred fifty thousand dollars ($250,000)* [, by more than twenty-five percent (25%),] its estimated cost, as approved by the general assembly, due to an unforeseen decision by a federal or state court or regulatory agency, monies in excess of *fifteen percent (15%) or two hundred fifty thousand dollars ($250,000)* [twenty-five percent (25%)] of the estimated cost of the project may be transferred from the capital construction and equipment purchase contingency *account* [fund] to the allotment account of the project, subject to paragraph *(d)* [(e)] of this subsection.

(d)[(e)] The department of finance shall, prior to making any transfer under paragraph (c) [or (d)] of this subsection, present the proposed transfer to the capital construction and equipment purchase oversight committee for review in accordance with KRS 45.800. Presentation of a proposed transfer under paragraph *(c)*[(d)] of this subsection shall include written certification to the committee from the commissioner of the bureau of facilities management, department of finance, that the transfer is necessitated by cost increases resulting from an unforeseen decision by a federal or state court or regulatory agency.

(3) Money in the capital construction and equipment purchase contingency *account* [fund] may be transferred to the allotment account of a major item of equipment, authorized by the general assembly under KRS 45.760, for expenditure on that item subject to the following conditions and procedures:

(a) Except as provided in paragraph (b) of this subsection, during any biennium, the amount that may be transferred from the capital construction and equipment purchase contingency *account* [fund] to the allotment account of an authorized major item of equipment shall not exceed an amount equal to *the lesser of ten percent (10%) or fifty thousand dollars ($50,000)* [ten percent (10%) of the estimated cost of the item, for that biennium, approved by the general assembly in the manner provided by KRS 45.760].

(b) In the event that the cost of an authorized major item of equipment exceeds, by more than ten percent (10%), *or by more than fifty thousand dollars ($50,000) of* its estimated cost, as approved by the general assembly, due to an unforeseen decision by a federal or state court or regulatory agency, monies in excess of ten percent (10%) *or fifty thousand dollars ($50,000)* of the estimated cost may be transferred from the capital construction and equipment purchase contingency *account* [fund] to the allotment account of the item.

(c) The department of finance shall, prior to making any transfer under this subsection, present the proposed transfer to the capital construction and equipment purchase oversight committee for review in accordance with KRS 45.800. Presentation of a proposed transfer under paragraph (b) of this subsection shall include written certification to the committee from the secretary of the department of finance that the transfer is necessitated by cost increases resulting from an unforeseen decision by a federal or state court or regulatory agency.

(4) Final acceptance of a project shall occur no later than one (1) year after the project is transferred to the Commonwealth of Kentucky. No later than thirty (30) days after final acceptance of a project or item of equipment by the Commonwealth of Kentucky, monies constituting the available balance in the project or equipment account shall be transferred to the appropriated, but unallotted account within the capital construction fund, and the project or equipment account shall be closed. The department of finance shall notify the committee of the final acceptance of a project or item of equipment, the transfer of the available balance, and the closing of the account no later than thirty (30) days following the closing of the account.

Section 4. KRS 45.780 is amended to read as follows:

(1) There is created within the *capital construction fund the* [state treasury an] emergency repair, maintenance and replacement *account* [fund]. The *account* [fund] shall consist of monies appropriated to the fund by the general assembly and income derived from the investment of monies appropriated to the fund.

(2) The department of finance may transfer money from the emergency repair, maintenance and replacement *account* [fund] to the allotment account of an emergency repair, replacement or maintenance project, for expenditure thereon, even though the specific project is not included in the biennial budget report and appropriation act or acts enacted for that biennium. The department of finance shall report each such transfer, including the necessity, purpose and amount of the transfer, to the capital construction and equipment purchase oversight committee not later than thirty (30) days after the transfer.

Section 5. KRS 45.790 is amended to read as follows:

(1) There is created a permanent subcommittee of the legislative research commission to be known as the capital construction and equipment purchase oversight committee. The subcommittee shall be composed of seven (7) members and shall include members of the house of representatives and members of the senate. The subcommittee shall include members of the minority party as nearly proportional to their membership in the general assembly as mathematically possible. The legislative research commission shall appoint, from the membership of the general assembly, the members of the subcommittee for terms of two

(2) years. The members so appointed shall elect one (1) of their number to serve as chairman. Any vacancy which may occur in the membership of the subcommittee shall be filled by the legislative research commission at its next regularly scheduled meeting after the vacancy occurs.

(2) The subcommittee shall meet monthly, and may meet more frequently when necessary, at such time and place as the chairman may determine. The members of the subcommittee shall be compensated for attending meetings as provided in KRS 7.090(2).

(3) Any professional, clerical or other employes required by the subcommittee shall be provided in accordance with KRS 7.090(4) and (5).

(4) The members of the subcommittee shall be appointed no later than ten (10) days after the effective date of this Act.

Section 6. KRS 45.800 is amended to read as follows:

(1) Except as otherwise provided in subsection (2)(b) of KRS 45.770, prior to transferring funds from the capital construction and equipment purchase contingency *account* [fund] to the allotment account of a capital construction project or major item of equipment, the department of finance shall present to the capital construction and equipment purchase oversight committee, for its review, specification of the amount of the proposed transfer, documentation of the necessity for the transfer, and, with respect to capital construction projects, documentation of:

(a) The amount already expended on the project prior to and during the current biennium; and

(b) Any alterations made or planned in the project since its consideration by the general assembly during the most recent regular session.

(2) Within thirty (30) days after submission to the committee of a proposed capital construction and equipment purchase contingency *account* [fund] transfer, the committee shall determine whether the amount of the proposed transfer is reasonable and consistent with KRS 45.770, whether the proposed transfer is necessary, and whether any alterations made or planned in a project materially change the project as considered and authorized by the general assembly. The legislative research commission shall promptly transmit the committee's findings and determinations to the department of finance. The department shall promptly and in writing inform the committee of its action on the proposed transfer.

(3) The legislative research commission shall maintain records of the committee's findings and determinations and the department of finance's report of its action on each proposed transfer from the capital construction and equipment purchase contingency *account* [fund]. If the committee determines that the amount of a proposed transfer is not reasonable or is not consistent with KRS 45.770, or that the transfer is not necessary, or if the committee finds that any alteration in a project materially changes the project as considered and approved by the general assembly, the committee's determination and the department's action on the transfer shall be transmitted to the appropriate interim joint committee of the legislative research commission and to the general assembly when next convened.

(4) The legislative research commission shall maintain reports of purchases made under subsection (8) of KRS 45.760, reports of transfers made under subsection (2)(b) of KRS 45.770, reports of transfers made from the emergency repair, maintenance and replacement *account* [fund], and a record of any committee finding or recommendation relating to such purchases and transfers.

(5) The capital construction and equipment purchase oversight committee shall monitor the costs of state capital construction projects in comparison with the costs of construction for the private sector to determine whether the costs are comparable and, if not comparable, the reasons for any difference. The committee shall consider contractors' charges to the state, land acquisition costs, costs and availability of materials, cost and availability of labor, and laws, regulations and purchasing procedures pertaining to state capital construction projects that are not applicable to construction for the private sector. The committee's findings and recommendations shall be transmitted to the appropriate interim joint committee of the legislative research commission and to the general assembly when convened.

SECTION 7. A NEW SECTION OF KRS CHAPTER 45 IS CREATED TO READ AS FOLLOWS:

The draft appropriation act or acts submitted to the general assembly by the governor, and the appropriation act or acts enacted by the general assembly shall comply with the provisions of this Act. Expressions of general exclusion, including but not limited to, "any act or statute to the contrary notwithstanding," and, "the provisions of any other law notwithstanding," shall not be effective as an exemption from the provisions of this Act. Exemptions from the provisions of this Act shall include the specific projects exempted.

Section 8. KRS 45.322 is amended to read as follows:

(1) The accounting system prescribed and installed by the executive department for finance and administration shall include the following fund structure:

(a) Operating fund group. This fund shall consist of all monies, not otherwise restricted, available for general operations of state government. It may include general funds, agency receipts, grants, and federal funds. A separate record of each source of revenue within this fund group shall be maintained.

(b) Transportation fund group. This fund shall consist of road fund revenues, agency receipts, federal funds and general funds appropriated by the general assembly for programs carried out in the department of transportation. A separate record of each source of revenue within this fund group shall be maintained.

(c) Capital construction fund. This fund shall consist of monies allotted for capital construction projects, except road construction projects, for all agencies of state government.

(d) Bond debt related fund group. This group of funds shall consist of all outstanding bonded debt liability and related funds of state government, including all revenue bonds issued by or approved by the state property and buildings commission. Accounts necessary to assure integrity of trust indentures shall be maintained. Funds appropriated for debt service shall be allotted to these accounts and any excess of appropriation over net requirements for principle, interest and reserves for any issue shall lapse to the general fund if general funds are a part of the appropriation for that budget unit.

(e) Restricted fund group. This fund group shall consist of appropriations and other receipts restricted as to purpose, and which by statute or otherwise may not be included in the operating fund.

(2) Transfers of appropriations, allotments, or receipts between funds shall be permitted, with the permission of the office for policy and management, for the purpose of matching restricted grants, for debt service, [for capital construction, or] for necessary government expense *or, except as provided by KRS 45.750 through 45.800, for capital construction*; provided, however, that no transfers, may be made from other funds to the operating fund except to correct errors, or to return excess transfers, and with the written permission of the secretary of the executive department for finance and administration.

Section 9. Whereas the members of the subcommittee must be appointed without delay in order to discharge their responsibilities, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the governor.

The Committee Substitute No. 1 to **HB 514** is as follows:

Committee Substitute for **HB 514,** AN ACT relating to capital construction.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 45.750 is amended to read as follows:

(1) As used in KRS 45.750 to 45.800:

(a) "Committee" means the capital construction and equipment purchase oversight committee.

(b) "Capital construction" includes:

(i) The construction, reconstruction and structural maintenance of buildings;

(ii) The installation of utility services, including roads and sewers;

(iii) The acquisition of land for the construction or reconstruction of a building or for the installation of utility services;

(iv) The purchase and installation initially of equipment, facilities and furnishings of a permanent nature for buildings; and

(v) The purchase and installation initially of movable equipment, furnishings and appurtenances necessary to make a building operable.

(c) "Capital construction project" means any capital construction item, or any combination of capital construction items necessary to make a building or utility installation complete, estimated to cost two hundred thousand dollars ($200,000) or more.

(d) "Major item of equipment" means an item of movable equipment, estimated to cost fifty thousand dollars ($50,000) or more, that is not an item of capital construction as defined in paragraph (b) of this subsection.

(e) *"Purchase of equipment" shall include, but not be limited to, equipment purchased or otherwise acquired, or equipment to be purchased or otherwise to be acquired under a lease-purchase contract or agreement, or an arrangement equivalent to a lease-purchase contract or agreement.*

(f) "Emergency repair, maintenance or replacement project" means the maintenance, repair or reconstruction of a capital construction project or the maintenance, repair or replacement of a major item of equipment that is:

(i) Necessitated by injury or damage resulting from a disaster; or

(ii) Necessary to maintain government operations or to prevent or minimize injury or damage that could reasonably be expected to result from an impending disaster; or

(iii) Necessitated by an unforeseen mechanical breakdown, electrical breakdown, or structural defect that must be corrected to make a facility or item of equipment usable.

(g)[(f)] "Disaster" means a fire, flood, tornado, other natural disaster, riot, enemy attack, sabotage, explosion, power failure, energy shortage, transportation emergency, or other man caused disaster.

(2) KRS 45.750 to 45.800 shall apply to capital construction projects and the purchase of major items of equipment for use by the state government or one of its departments or agencies, including institutions of higher education, but excluding capital construction projects or equipment purchases under the jurisdiction of the bureau of highways or the turnpike authority of Kentucky. KRS 45.750 to 45.800 shall not apply to political subdivisions.

Section 2. KRS 45.760 is amended to read as follows:

The provisions of any other law notwithstanding:

(1) The governor shall include in the biennial budget report and in the draft appropriation act or acts submitted to each regular session of the general assembly pursuant to KRS 45.030 and 45.040, for the biennium period beginning July 1, 1980 and for each biennium thereafter, a recommended state capital construction program and a recommended program for the purchase of major items of equipment.

(2) The recommended capital construction program shall include:

(a) A complete list and summary description of each specific capital construction project recommended for funding during the biennium; and

(b) For each project:

(i) The agency and purpose for which it will be used;

(ii) The justification for the project;

(iii) Its estimated completion date;

(iv) The total estimated cost of completing the project;

(v) The estimated cost of the project during the biennium;

(vi) The recommended sources of funds for the entire project; and

(vii) The dollar amounts recommended for appropriation and the dollar amounts, listed by source, that are anticipated from every other source of funds for the biennium.

(c) For each project approved in previous biennia that is not included as an item in the recommended program under KRS 45.760, a statement of the project phase accompanied by a statement of the completion date of the project phase and the date the next phase will be initiated.

(3) All information required by subsection (2) of this section shall be included in the biennial budget report. The draft appropriation act or acts shall contain only a complete list of the specific capital construction projects recommended for funding during the biennium and, for each project, the information specified in subparagraphs (v), (vi) and (vii) of subsection (2)(b) of this section.

(4) During any biennium beginning July 1, 1980 and during each biennium thereafter, the amount allotted, from all sources, for expenditure on any project in the state capital construction program for that biennium shall not exceed the estimated cost of the project during that biennium, as shown in the biennial budget report and in the appropriation act or acts enacted by the general assembly, except as provided in KRS 45.770 and 45.780.

(5) The recommended program for the purchase of major items of equipment shall include:

(a) A complete list and summary description of each specific major item of equipment recommended for purchase during the biennium; and

(b) For each major item of equipment:

(i) The agency and purpose for which it will be used;

(ii) The justification for the purchase;

(iii) The estimated cost of the item;

(iv) The recommended sources of funds; and

(v) The dollar amounts recommended for appropriation and anticipated from every other source of funds for the purchase.

(c) For each item of equipment approved in previous biennia that is not included as an item in the recommended program under KRS 45.760, a statement of the available balance of the account in which the item of equipment appears.

(6) All information required by subsection (5) of this section shall be included in the biennial budget report. The draft appropriation act or acts shall contain only a complete list of each specific item of major equipment recommended for purchase during the biennium and, for each item, the information specified in subparagraphs (iii), (iv) and (v) of subsection (5)(b) of this section.

(7) *When the general assembly disapproves a capital construction project or the purchase of an item of major equipment contained in the governor's recommended programs, or disapproves a project or item of equipment that was previously approved by the general assembly, it shall be eliminated as a project or item of equipment in the capital construction fund. Monies appropriated for that project or item of equipment but not allotted, and monies in the project or equipment account shall be transferred to the appropriated but unallotted account in the capital construction fund, provided that agency funds for the project, that have been appropriated but unallotted or allotted but unexpended, shall be returned to the appropriate agency. Adjustments shall be made in the governor's recommended programs to reflect the additional funds made available by this transfer.*

(8) Projects and items of equipment disapproved under the preceding subsection shall be terminated.

(9) During any biennium beginning July 1, 1980 and during each biennium thereafter, the amount allotted from all sources for expenditure for the purchase of any major item of equipment shall not exceed the estimated cost of the item as shown in the biennial budget report and in the appropriation act or acts enacted by the general assembly and authorizing the purchase, except as provided in subsection *(10)*[(8)] of this section and in KRS 45.770 and 45.780.

(10)[(8)] A major item of equipment to be used for medical, scientific or research purposes, excluding computer equipment *and aircraft*, may be purchased even though it is not specifically listed in the biennial budget report and appropriations act or acts enacted for the current biennium subject to the following conditions and procedures:

(a) Monies specifically appropriated by the general assembly for another purpose shall not be realloted for expenditure on the item;

(b) Funds are available for the purchase and the method of financing the purchase will not require an additional appropriation of state funds to acquire the item; and

(c) The purchasing agency shall, within thirty (30) days after making the purchase, report the purchase to the capital construction and equipment purchase oversight committee. The report shall include a description of the item, the purpose for which it will be used, the necessity for the purchase, and the amount expended for the purchase from each source of funds used.

(11) The provisions of this Act shall apply to all capital construction projects and major items of equipment approved prior to January 1, 1980 and not completed as of the effective date of this Act.

(12) On or before July 1, 1980, the secretary of the department of finance shall submit to the committee the following information:

(a) A complete list and summary description of every capital construction project and major item of equipment approved prior to January 1, 1980 and not completed as of the effective date of this Act; and

(b) For each project and item of equipment, as of January 1, 1980:

(i) The project phase;

(ii) The project account number, project name, and any other term employed to identify the project or item;

(iii) The available balance in the project or item account, and any sums considered available for that project or item;

(iv) A statement of the transfers of funds to or from the project, item, or project or item account; and, the project or item account, or account, to which transfers from each project or item, project or item account, or account has been made;

(v) The year in which the project or item was approved, with specific reference to the legislation by which the project or item was approved;

(vi) Total expenditure on the project or item;

(vii) A statement that the project or item is either active or inactive;

(viii) The current estimated completion cost, including the amount required for annual inflation;

(ix) A statement that additional funds for the completion of the project or item are or are not required; and, if required, why sufficient funds for completion are not available;

(x) Justification for the project or item.

(c) The balance in the appropriated, but unallotted account; and the balance in any account, however designated, that contains appropriated, but unallotted funds.

Section 3. KRS 45.770 is amended to read as follows:

(1) There is created within the *capital construction fund the* [state treasury a] capital construction and equipment purchase contingency *account* [fund]. The *account* [fund] shall consist of monies appropriated to the fund by the general assembly and income derived from the investment of monies appropriated to the *account, and of monies and income derived from the investment of monies appropriated or transferred to contingency accounts, however designated, within the capital construction fund for projects or items of equipment prior to January 1, 1980* [fund]. The *account* [fund] shall also include income derived from the investment of funds appropriated by the general assembly for capital construction projects or the purchase of major items of equipment prior to the time such funds are allotted for expenditure on the project or item.

(2) Money in the capital construction and equipment purchase contingency *account* [fund] may be transferred to the allotment account of a capital construction project, authorized by the general assembly under KRS 45.760, subject to the following conditions and procedures:

(a) Except as provided in paragraph *(c) and* (d) of this subsection, during any biennium, the amount that may be transferred from the capital construction and equipment purchase contingency *account* [fund] to the allotment account of an authorized project shall not exceed an amount equal to *the lesser of fifteen percent (15%) or five hundred thousand dollars ($500,000)* [twenty-five percent (25%) of the estimated cost of the project, for that biennium, approved by the general assembly in the manner provided by KRS 45.760].

(b) The department of finance may transfer an amount equal to *the lesser of fifteen percent (15%) or five hundred thousand dollars ($500,000)* [fifteen percent (15%) or less of the estimated cost of an authorized project] from the *account* [fund] to the allotment account of the project provided that the department reports the transfer to the capital construction and equipment purchase oversight committee within thirty (30) days after making the transfer. The report shall include documentation of the amount, necessity and purpose of the transfer, the amount already expended on the project prior to and during the current biennium, and any alterations made or planned in the project since its consideration by the general assembly during the most recent regular session.

(c) The department of finance may transfer, from the fund to the allotment account of an authorized project, an amount equal to more than fifteen percent (15%) *or five hundred thousand dollars ($500,000)* [but not more than twenty-five percent (25%)] of the estimated cost of the project. *Prior to making a transfer under this subsection, the department of finance shall present the proposed transfer, with an explanation in writing of the reasons a transfer exceeding fifteen percent (15%) or five hundred thousand dollars ($500,000) is necessary, to the committee. Upon approval by the committee, the proposed transfer shall be made* [, subject to paragraph (e) of this subsection].

(d) In the event that the cost of an authorized project exceeds *by more than fifteen percent (15%) or five hundred thousand dollars ($500,000)* [, by more than twenty-five percent (25%),] its estimated cost, as approved by the general assembly, due to an unforeseen decision by a federal or state court or regulatory agency, monies in excess of *fifteen percent (15%) or five hundred thousand dollars ($500,000)* [twenty-five percent (25%)] of the estimated cost of the project may be transferred from the capital construction and equipment purchase contingency *account* [fund] to the allotment account of the project, subject to paragraph (e) of this subsection.

(e) The department of finance shall, prior to making any transfer under paragraph [(c) or] (d) of this subsection, present the proposed transfer to the capital construction and equipment purchase oversight committee for review in accordance with KRS 45.800. Presentation of a proposed transfer under paragraph (d) of this subsection shall include written certification to the committee from the commissioner of the bureau of facilities management, department of finance, that the transfer is necessitated by cost increases resulting from an unforeseen decision by a federal or state court or regulatory agency.

(3) Money in the capital construction and equipment purchase contingency *account* [fund] may be transferred to the allotment account of a major item of equipment, authorized by the general assembly under KRS 45.760, for expenditure on that item subject to the following conditions and procedures:

(a) Except as provided in *paragraphs* [paragraph] (b) *and (d)* of this subsection, during any biennium, the amount that may be transferred from the capital construction and equipment purchase contingency *account* [fund] to the allotment account of an authorized major item of equipment shall not exceed an amount equal to *the lesser of ten percent (10%) or fifty thousand dollars ($50,000)* [ten percent (10%) of the estimated cost of the item, for that biennium, approved by the general assembly in the manner provided by KRS 45.760].

(b) In the event that the cost of an authorized major item of equipment exceeds, by more than ten percent (10%), *or by more than fifty thousand dollars ($50,000) of* its estimated cost, as approved by the general assembly, due to an unforeseen decision by a federal or state court or regulatory agency, monies in excess of ten percent (10%) *or fifty thousand dollars ($50,000)* of the estimated cost may be transferred from the capital construction and equipment purchase contingency *account* [fund] to the allotment account of the item.

(c) The department of finance shall, prior to making any transfer under this subsection, present the proposed transfer to the capital construction and equipment purchase oversight committee for review in accordance with KRS 45.800. Presentation of a proposed transfer under paragraph (b) of this subsection shall include written certification to the committee from the secretary of the department of finance that the transfer is necessitated by cost increases resulting from an unforeseen decision by a federal or state court or regulatory agency.

(d) The department of finance may transfer from the fund to the allotment account of an authorized major item of equipment an amount equal to more than ten percent (10%) or fifty thousand dollars ($50,000). Prior to making a transfer under this subsection, the department of finance shall present the proposed transfer, with an explanation in writing of the reasons a transfer exceeding ten percent (10%) or fifty thousand dollars ($50,000) is necessary, to the committee. Upon approval by the committee, the proposed transfer shall be made.

(4) Final acceptance of a project shall occur no later than one (1) year after the project is transferred to the Commonwealth of Kentucky. No later than thirty (30) days after final acceptance of a project or item of equipment by the Commonwealth of Kentucky, monies constituting the available balance in the project or equipment account shall be transferred to the appropriated, but unallotted account within the capital construction fund, and the project or equipment account shall be closed. The department of finance shall notify the committee of the final acceptance of a project or item of equipment, the transfer of the

available balance, and the closing of the account no later than thirty (30) days following the closing of the account.

Section 4. KRS 45.780 is amended to read as follows:

(1) There is created within the *capital construction fund the* [state treasury an] emergency repair, maintenance and replacement *account* [fund]. The *account* [fund] shall consist of monies appropriated to the fund by the general assembly and income derived from the investment of monies appropriated to the fund.

(2) The department of finance may transfer money from the emergency repair, maintenance and replacement *account* [fund] to the allotment account of an emergency repair, replacement or maintenance project, for expenditure thereon, even though the specific project is not included in the biennial budget report and appropriation act or acts enacted for that biennium. The department of finance shall report each such transfer, including the necessity, purpose and amount of the transfer, to the capital construction and equipment purchase oversight committee not later than thirty (30) days after the transfer.

Section 5. KRS 45.790 is amended to read as follows:

(1) There is created a permanent subcommittee of the legislative research commission to be known as the capital construction and equipment purchase oversight committee. The subcommittee shall be composed of seven (7) members and shall include members of the house of representatives and members of the senate. The subcommittee shall include members of the minority party as nearly proportional to their membership in the general assembly as mathematically possible. The legislative research commission shall appoint, from the membership of the general assembly, the members of the subcommittee for terms of two (2) years. The members so appointed shall elect one (1) of their number to serve as chairman. Any vacancy which may occur in the membership of the subcommittee shall be filled by the legislative research commission at its next regularly scheduled meeting after the vacancy occurs.

(2) The subcommittee shall meet monthly, and may meet more frequently when necessary, at such time and place as the chairman may determine. The members of the subcommittee shall be compensated for attending meetings as provided in KRS 7.090(2).

(3) Any professional, clerical or other employes required by the subcommittee shall be provided in accordance with KRS 7.090(4) and (5).

(4) The members of the subcommittee shall be appointed no later than ten (10) days after the effective date of this Act.

Section 6. KRS 45.800 is amended to read as follows:

(1) Except as otherwise provided in subsection (2)(b) of KRS 45.770, prior to transferring funds from the capital construction and equipment purchase contingency *account* [fund] to the allotment account of a capital construction project or major item of equipment, the department of finance shall present to the capital construction and equipment purchase oversight committee, for its review, specification of the amount of the proposed transfer, documentation of the necessity for the transfer, and, with respect to capital construction projects, documentation of:

(a) The amount already expended on the project prior to and during the current biennium; and

(b) Any alterations made or planned in the project since its consideration by the general assembly during the most recent regular session.

(2) Within thirty (30) days after submission to the committee of a proposed capital construction and equipment purchase contingency *account* [fund] transfer, the committee shall determine whether the amount of the proposed transfer is reasonable and consistent with KRS 45.770, whether the proposed transfer is necessary, and whether any alterations made or planned in a project materially change the project as considered and authorized by the general assembly. The legislative research commission shall promptly transmit the committee's findings and determinations to the department of finance. The department shall promptly and in writing inform the committee of its action on the proposed transfer.

(3) The legislative research commission shall maintain records of the committee's findings and determinations and the department of finance's report of its action on each proposed transfer from the capital construction and equipment purchase contingency *account* [fund]. If the committee determines that the amount of a proposed transfer is not reasonable or is not consistent with KRS 45.770, or that the transfer is not necessary, or if the committee finds that any alteration in a project materially changes the project as considered and approved by the general assembly, the committee's determination and the department's action on the transfer shall be transmitted to the appropriate interim joint committee of the legislative research commission and to the general assembly when next convened.

(4) The legislative research commission shall maintain reports of purchases made under subsection (8) of KRS 45.760, reports of transfers made under subsection (2)(b) of KRS 45.770, reports of transfers made from the emergency repair, maintenance and replacement *account* [fund], and a record of any committee finding or recommendation relating to such purchases and transfers.

(5) The capital construction and equipment purchase oversight committee shall monitor the costs of state capital construction projects in comparison with the costs of construction for the private sector to determine whether the costs are comparable and, if not comparable, the reasons for any difference. The committee

shall consider contractors' charges to the state, land acquisition costs, costs and availability of materials, cost and availability of labor, and laws, regulations and purchasing procedures pertaining to state capital construction projects that are not applicable to construction for the private sector. The committee's findings and recommendations shall be transmitted to the appropriate interim joint committee of the legislative research commission and to the general assembly when convened.

SECTION 7. A NEW SECTION OF KRS CHAPTER 45 IS CREATED TO READ AS FOLLOWS:

The draft appropriation act or acts submitted to the general assembly by the governor, and the appropriation act or acts enacted by the general assembly shall comply with the provisions of this Act. Expressions of general exclusion, including but not limited to, "any act or statute to the contrary notwithstanding," and, "the provisions of any other law notwithstanding," shall not be effective as an exemption from the provisions of this Act. Exemptions from the provisions of this Act shall include the specific projects exempted.

Section 8. KRS 45.322 is amended to read as follows:

(1) The accounting system prescribed and installed by the executive department for finance and administration shall include the following fund structure:

(a) Operating fund group. This fund shall consist of all monies, not otherwise restricted, available for general operations of state government. It may include general funds, agency receipts, grants, and federal funds. A separate record of each source of revenue within this fund group shall be maintained.

(b) Transportation fund group. This fund shall consist of road fund revenues, agency receipts, federal funds and general funds appropriated by the general assembly for programs carried out in the department of transportation. A separate record of each source of revenue within this fund group shall be maintained.

(c) Capital construction fund. This fund shall consist of monies allotted for capital construction projects, except road construction projects, for all agencies of state government.

(d) Bond debt related fund group. This group of funds shall consist of all outstanding bonded debt liability and related funds of state government, including all revenue bonds issued by or approved by the state property and buildings commission. Accounts necessary to assure integrity of trust indentures shall be maintained. Funds appropriated for debt service shall be allotted to these accounts and any excess of appropriation over net requirements for principle, interest and reserves for any issue shall lapse to the general fund if general funds are a part of the appropriation for that budget unit.

(e) Restricted fund group. This fund group shall consist of appropriations and other receipts restricted as to purpose, and which by statute or otherwise may not be included in the operating fund.

(2) Transfers of appropriations, allotments, or receipts between funds shall be permitted, with the permission of the office for policy and management, for the purpose of matching restricted grants, for debt service, [for capital construction, or] for necessary government expense *or, except as provided by KRS 45.750 through 45.800, for capital construction*; provided, however, that no transfers, may be made from other funds to the operating fund except to correct errors, or to return excess transfers, and with the written permission of the secretary of the executive department for finance and administration.

Section 9. Whereas the members of the subcommittee must be appointed without delay in order to discharge their responsibilities, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the governor.

HB 930, AN ACT relating to state personnel.

WHEREAS, Section 5 of 101 Kentucky Administrative Regulations 1:050 now makes the awarding of annual increments in salary automatic for those full-time and part-time merit system employes who have not attained the longevity steps in the state pay plan established under KRS 18.210; and

WHEREAS, 101 Kentucky Administrative Regulations 1:050 does not provide the same automatic annual increments for regular merit system employes who have advanced to the longevity steps of the state pay plan; and

WHEREAS, the General Assembly desires that the state pay plan be structured to treat state employes equitably and to encourage, rather than discourage, career service by state personnel; and

WHEREAS, the General Assembly finds and declares that the policies of equitable treatment of employes and of encouraging career service are hampered by limiting the salary advancements of employes who have attained the longevity steps of the state pay plan while awarding annual increments to other employes;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 18 IS CREATED TO READ AS FOLLOWS:

State employes who have attained any longevity step in the state pay plan established under KRS 18.210 shall be awarded the same annual percentage increment in salary that is automatically awarded to employes who have not advanced to such longevity steps in the state pay plan.

HJR 121, A JOINT RESOLUTION relating to a study of the Commonwealth's system of prosecution of criminal cases and the handling of civil matters by the county and Commonwealth's attorneys and making an appropriation therefor.

WHEREAS, the system of dual prosecution has been extant in the Commonwealth since 1891; and

WHEREAS, the founding fathers of the present constitution recognized the time may come in the future that only one prosecutor may be needed; and

WHEREAS, numerous public officials and citizens have called for the elimination of the dual system of prosecution; and

WHEREAS, no complete study has been done with the sole purpose of determining the most efficient method of prosecution of criminal cases; and

WHEREAS, the adoption of the new court system and terms of office of local public officials involved dictate that action be taken by the 1982 General Assembly if the problem is to be solved;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Legislative Research Commission, in cooperation with the advisory committee herein created, shall study the current system of prosecution of criminal cases in the courts of the Commonwealth and the handling of civil matters by the county and Commonwealth's attorneys of the state.

Section 2. To assist the commission in the completion of this study an advisory committee is appointed as follows:

One member of the Commonwealth's attorney's association, to be appointed by the Governor;

One member of the County attorney's association, to be appointed by the Governor;

One member of the Appropriations and Revenue Committee of the House of Representatives who is not an attorney, to be appointed by the Speaker of the House;

One member of the Appropriations and Revenue Committee of the Senate who is not an attorney, to be appointed by the President Pro Tempore of the Senate;

Four citizens, who are not attorneys nor who are related to a Commonwealth's or county attorney, to be appointed by the Governor.

Section 3. The advisory committee, at its first meeting, shall elect a chairman from among its membership. Until such election the director of the Legislative Research Commission shall serve as chairman. The committee is charged with answering the following questions:

1. Should the present system of prosecution be continued?
2. Should the office of Commonwealth's attorney be eliminated?
3. Should the office of county attorney be changed to preclude prosecution in criminal cases?
4. Should either or both offices be made full time?
5. Should any new office be created to deal with criminal prosecutions?
6. What should the salary and duties of any person under the system recommended be?
7. What staff and assistance should be provided to officers under the system recommended and who should bear the costs thereof?
8. Who should bear the basic and ancillary costs of the system?
9. What is the cost of any recommended changes?
10. What is the present cost of the system and what will the costs be if there is no change?
11. Should there be any combination of the offices or modification of the present system with respect to any other related matters?
12. What should the role of the counties be in housing the state criminal prosecution function?
13. What changes can be made without constitutional changes?
14. Will any constitutional changes be necessary to implement the system?
15. The committee shall, with the cooperation of the staff of the Legislative Research Commission, present such other recommendations, background data, statistics, cost estimates, and other information as may be necessary for the completion of the study.

Section 4. The committee shall meet at the call of the chairman (or until the chairman is elected at the call of the director of the Legislative Research Commission) and the members of the committee shall receive no salary but shall be reimbursed for actual and necessary expenses.

Section 5. The advisory committee shall submit a written report to the General Assembly on or before January 1, 1981.

Section 6. To accomplish the purposes of this resolution there is hereby appropriated from the General Fund of the Commonwealth the sum of $100.000.

The Committee Amendment No. 1 to **HR 121** is as follows:

Amend printed copy of **HJR 121,** page 4, lines 18 to 20, by deleting lines 18 to 20 and inserting in lieu thereof:

"Section 6. Staff services to be utilized in completing this study are estimated to cost thirty thousand dollars ($30,000). These services shall be provided from the regular commission budget and subject to the limitations and other responsibilities of the commission."

SB 11, AN ACT relating to the use of certified mail and registered mail.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 12 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section:

(a) "Certified mail" means mail service providing a receipt to the sender and a record of delivery at the office of address;

(b) "Matter having intrinsic value" means mail matter including negotiable instruments, non-negotiable instruments, money, jewelry, gems, precious metals and merchandise;

(c) "Matter having no intrinsic value" means mail matter including, but not limited to, letters, files, records, summons, petitions and notices;

(d) "Registered mail" means mail service providing added protection for valuable and important mail, plus evidence of mailing and delivery and indemnity in case of loss or damage;

(e) "Return receipt requested" means mail service obtained at additional cost, providing a notice of receipt to the sender when registered or certified mail is delivered, showing to whom and date delivered, or to whom, date and address where delivered.

(2) Any agency of state government which is required to post, forward or otherwise send any summons, petition, notice or other matter having no intrinsic value shall use certified mail where required by law.

Section 2. KRS 16.140 is amended to read as follows:

(1) With the exceptions hereinafter specified, no officer of the bureau shall be removed, suspended, reduced in grade or pay for any reason except inefficiency, misconduct, insubordination or violation of law or of any rule or regulation promulgated by the commissioner. Any person may prefer charges in writing against any officer, which must be filed in the office of the commissioner. The charges must be signed by the person making the same, and must set out with clarity and distinction each and every charge. The commissioner, whenever probable cause appears, shall prefer charges against any officer whom he believes to have been guilty of conduct justifying his removal or punishment, in the interest of public order. Within five (5) days after the filing of charges, the commissioner shall deliver a copy thereof, personally, by [registered mail or by] certified mail, return receipt requested to the officer offending. Within five (5) days after the receipt thereof, the officer may demand public hearing, or may admit the truth of the charges in whole or in part. If the officer admits the truthfulness of the charges, the commissioner shall remove, suspend, reduce in rank or pay the officer so offending, in proportion to the seriousness of the charges.

(2) If the charges are denied and the officer demands a hearing within the time above specified, he must make his demand known to the commissioner in writing. After demand for hearing has been made, the commissioner within twenty (20) days from the date thereof, shall arrange for a public hearing before a trial board to be constituted in the manner hereinafter provided. The officer defendant shall be given not less than five (5) days' notice of the time, place and hour of the hearing.

(3) Upon the hearing, all charges shall be considered traversed and put in issue, and the trial shall be confined and limited to the issues presented by the written charges. The trial board hearing the charges may summon and compel the attendance of witnesses at all hearings or sittings, by subpoena issued by the commissioner and served upon any witness by any sheriff or other person authorized by law to serve process. If any person fails to comply with any lawful order of the bureau or with process, or if any witness refuses to testify concerning any matter in which he may lawfully be interrogated, any circuit court judge, upon application of the trial board, or the commissioner, may compel obedience by proceedings for contempt as in the case of disobedience of a subpoena issued from the circuit court or a refusal to testify therein.

(4) The officer defendant shall have the right to subpoena in his behalf any witnesses he may desire, upon furnishing their names to the trial board or to the commissioner. The officer shall likewise have the right to appear in person and by counsel.

(5) All charges against the officer defendant, together with all proceedings before the trial board, shall be transcribed and reduced to writing and a permanent record kept thereof.

(6) In any instance where the commissioner has probable cause to believe that an officer has been guilty of conduct justifying his removal or punishment, he may immediately suspend the officer from duty, or from both pay and duty, pending trial, and the officer shall not be again placed on duty or allowed pay thereafter until a determination of the charges under this section.

(7) The trial board, after hearing the charges, shall fix the punishment of any officer found guilty of any one (1) or more charges, by reprimand or suspension for any length of time not to exceed six (6) months, or by reducing the grade if the officer's classification warrants same, or by combining any two (2) or more of the punishments, or by reducing the monthly salary of the officer by not more than twenty per cent (20%) for not more than six (6) months, or by removing or dismissing from the service of the bureau any officer so found guilty.

(8) For the purpose of hearing charges against any officer, as hereinabove set forth, there is created a trial board; which shall consist of the commissioner and of a panel of ten (10) officers of the bureau appointed by the commissioner. The commissioner shall designate from the panel not less than three (3) nor more than seven (7) members thereof to hear charges against any officer in the manner and under the procedure above set forth. The commissioner may promulgate reasonable rules and regulations governing the procedure before the trial board, which do not conflict with this section. The panel or trial board shall be a continuing body, and the officers designated shall serve thereon in addition to their other duties and without any increase in compensation, except they may be reimbursed for meals, lodging and traveling expenses incurred while in the performance of their official duties as members of the board. Any officer defendant may for cause challenge the right of any member of the board in the trial of any action against him, and if the remaining members of the board find that the challenge is justifiable, the member of the board shall be excused from hearing the charges, and another member substituted in lieu thereof.

(9) No officer is entitled to a hearing as provided in this section, unless his suspension is for more than twenty (20) days, or his pay reduced more than ten per cent (10%); but if the officer receives more than twenty (20) days suspension or reduction in salary of more than ten per cent (10%) within a period of one (1) year, he shall have the right to such hearing in the manner above provided.

(10) Any civilian employe may be discharged, suspended or reduced in pay at any time by the commissioner, pursuant to KRS chapter 18.

(11) Any officer appointed to the bureau shall be considered on probation for a period of one (1) year from and after the date of his appointment, and during that period may be discharged or suspended or reduced in rank or pay, with or without cause, by the commissioner. The rights conferred upon an officer for a hearing, as provided in this section, shall not accrue until such officer has been employed by the bureau for a period of one (1) year or more.

Section 3. KRS 24A.280 is amended to read as follows:

(1) The court shall set a time for hearing. The hearing time set shall be not less than twenty (20) days nor more than forty (40) days after service of process.

(2) The clerk shall notify the defendant of the claim and his right to appear by sending the defendant a copy of the claim and a summons directing the defendant to appear at the time set for hearing and informing the defendant that if he fails to appear, judgment may be entered against him. The mode of service shall be by [registered or] certified mail with return receipt requested. The receipt signed by the defendant shall be prima facie evidence that the defendant was served with notice of any action instituted pursuant KRS 24A.200 to 24A.360. Should the receipt not be returned signed by the defendant, the defendant shall be personally served with process.

(3) To promote quick settlement of small claims, the division shall grant continuances only where reasons of fairness and justice so require.

Section 4. KRS 29A.060 is amended to read as follows:

(1) Each circuit or district judge shall inform the chief circuit judge of his needs for qualified jurors.

(2) To select a grand jury or a petit jury in circuit court, the clerk shall:

(a) Draw forty (40) names at random from the jury wheel;

(b) List the names, in the order drawn, from one (1) to forty (40);

(c) Place forty (40) numbered balls in a box and shake the box;

(d) Draw the required number of balls, dependent on the number of jurors required plus alternates, from the box and record the number of each ball as it is drawn.

(3) To select a petit jury for a trial in district court, the clerk shall:

(a) Draw twenty (20) names at random from the jury wheel;

(b) List the names, in the order drawn, from one (1) to twenty (20);

(c) Place twenty (20) numbered balls in a box and shake the box;

(d) Draw the required number of balls, dependent on the number of jurors required plus alternates, from the box and record the number of each ball as it is drawn.

(4) The names corresponding to the numbers on the balls which have been drawn shall constitute the petit jury. When alternate jurors are permitted the last ball or balls drawn, as the case may be, will represent the alternate jurors.

(5) As jurors are excused and new jurors are required additional balls shall be drawn from the box, one for each juror required, until all of the balls in the box have been exhausted.

(6) In the event that all of the balls in the box have been exhausted the box shall be refilled utilizing the process required by subsections (1) to (4) of this section.

(7) The chief circuit judge shall regulate the random assignment of jurors for use in circuit and district courts. Any petit juror assigned to a judge of circuit or district court may be used by any other judge of any other branch or division of circuit or district court when jurors are needed.

(8) If a grand, petit, or other jury is ordered to be drawn, the judge thereafter shall cause each person drawn for jury service to be served with a summons requiring him to report for jury service at a specified time and place, unless otherwise notified by the court and, to be available for jury service for thirty (30) judicial days thereafter. The service of summons may be either made personally by the sheriff or sent by [registered or] certified mail, return receipt requested, addressed to him at his usual residence, business, or post office address. In either case, notice shall be mailed or served to the juror at least thirty (30) days before he is required to attend.

(9) When there is an unanticipated shortage of available jurors drawn from a jury wheel, the court may require the sheriff to summon a sufficient number of jurors selected at random by the judge from the jury wheel. Jurors summoned in this way need not be given the notice provided in subsection (8) of this section.

(10) Only persons duly qualified and summoned under subsection (8) of this section and KRS 29A.070 shall serve as jurors..

(11) If after making a fair effort in good faith, the judge is satisfied that it will be impracticable to obtain a jury free of bias in the county in which the prosecution is pending, he may obtain a sufficient number of jurors from some adjoining county in which the judge believes there is the greatest probability of obtaining impartial jurors. The judge shall request the chief circuit judge for the adjoining county to draw and summon as many jurors as are needed. Jurors summoned under this subsection need not be given the notice provided in subsection (8) of this section.

(12) The names of jurors drawn from the jury wheel shall be made available to the public.

Section 5. KRS 39.410 is amended to read as follows:

In case property is taken for temporary use, pursuant to the provisions of this chapter, the governor shall, within thirty (30) days of the taking, fix the amount of compensation to be paid therefor. In case such property shall be returned to the owner in a damaged condition or shall not be returned to the owner, the governor shall, within thirty (30) days after the taking, fix the amount of compensation to be paid for such damage or failure to return. Whenever the governor shall deem it advisable for the state to take title to property taken under this section, he shall forthwith cause the owner of such property to be notified thereof in writing by [registered mail, postage prepaid or by] certified mail, return receipt requested, and forthwith cause to be filed a copy of said notice with the secretary of state.

Section 6. KRS 40.120 is amended to read as follows:

(1) If a claim is disapproved, the administrator shall send a notice of such decision to the claimant by mail at the address shown in the application. The notice shall be in such form as the administrator may determine, shall contain a designation of the reason for disapproval, shall inform the claimant of his or her right to seek review, shall have attached such form of request for review as the administrator may prescribe, and shall give information as to procedure for review.

(2) Application for review of the administrator's disapproval shall be made only on the forms prescribed and furnished by the administrator; and shall be received in the office of the administrator by the closing hour in the thirtieth day after the day upon which the notice of the disapproval is mailed by the administrator, or be forever barred.

(3) Upon receiving an application for review, the administrator shall transmit the same, together with the original application and all papers in the case, to the board of review, hereinafter created.

(4) The board of review shall promptly consider the same evidence which was available to the administrator, and shall promptly enter in the case file its decision either finally affirming the administrator's decision, or finally determining the claim and the amount thereof.

(5) The board of review shall send a notice of its decision to the claimant by [registered mail or by] certified mail, return receipt requested, and shall return the case file to the administrator. The decision of the board of review shall be a final determination of the claim shown in the application. There shall be no right of recourse on the part of the claimant or the administrator in any court.

Section 7. KRS 40.140 is amended to read as follows:

(1) (a) If a claim is approved by the administrator or finally approved upon resort to the board of review, in whole or in part the administrator shall promptly certify to the secretary of the executive department for finance and administration the names and addresses of persons found entitled to be paid, as shown in the application, and the amount payable to each.

(b) A copy of each such certificate shall be sent to the commissioner of revenue, who shall promptly ascertain from the records of his department whether any person proposed to be paid a veterans' bonus is delinquent in the payment of any tax liability to the Commonwealth. No delinquency shall be deemed to exist as to any asserted tax liability which is the subject of a bona fide dispute. If any delinquency be found to exist, the commissioner of revenue shall within three (3) working days after this receipt of the certificate, furnish the details thereof to the secretary of the executive department for finance and administration; and if no advice of tax delinquency is received by the secretary of the executive department for finance and administration before the end of the fourth working day after his receipt of certification from the administrator, he shall, for the purposes of this chapter, conclusively presume that no delinquency of tax liability to the Commonwealth exists; but such presumption shall apply only to the existence or absence of a setoff by the Commonwealth against a certified claim for a veterans' bonus, and shall not alter the facts as between the Commonwealth and any taxpayer.

(c) If no advice of tax delinquency is received within such allowed time, the secretary of the executive department for finance and administration may approve payment in accordance with the certificate of the administrator, and may immediately draw a warrant on the state treasury for a check in payment.

(d) Upon receipt of such warrant the state treasurer shall issue a check in accordance therewith payable from the proceeds of bonds in accordance with this chapter, and the same shall promptly be mailed to the payee thereof at the address shown in the certificate.

(2) (a) If the secretary of the executive department for finance and administration shall, within the allowed time, receive advice from the commissioner of revenue of the existence of a delinquency on the part of any person having an approved claim for a veterans' bonus, as to any tax liability to the Commonwealth, the secretary of the executive department for finance and administration shall note the same on the certificate of the administrator, withhold payment, and forthwith send to the claimant by [registered mail or by] certified mail, return receipt requested a notice of the asserted delinquency, and the amount thereof, and that it is proposed that the same be set off against the veterans' bonus payment.

(b) If the secretary of the executive department for finance and administration receives no protest in his office within ten (10) working days after recording such notice, he shall conclusively presume that the proposed setoff is just, shall apply the amount thereof in reduction or extinguishment of the payment certified by the administrator, and shall advise the commissioner of revenue of the amount set off against the veterans' bonus, which advice shall be noted by the commissioner of revenue on the records of his office as a credit upon the delinquent tax liability.

(c) If the tax setoff does not consume the entire amount of the veterans' bonus as certified by the administrator, the secretary shall draw a warrant upon the state treasury for a check in the amount of the remainder, and upon receiving such check from the state treasurer shall send the same, together with advice of the setoff, by mail, to the payee at the address shown in the certificate of the administrator.

(3) If the secretary of the executive department for finance and administration receives from the claimant a protest of the asserted tax delinquency, within the allowed time, the secretary shall withhold approval for payment, and shall refer the protest to the commissioner of revenue for disposition.

(4) If a tax setoff is made, and the claimant shall assert error with regard thereto, the exclusive remedy shall be by seeking refund from the commissioner of revenue.

Section 8. KRS 57.141 is amended to read as follows:

If any successful bidder fails in whole or in part to fulfill his contract, the executive department for finance and administration may cancel the contract. Cancellation shall be in writing, stating the reasons for such cancellation, and shall be sent by [registered or] certified mail. The executive department for finance and administration may suspend, declare void, or cancel any contract whenever it is of the opinion that the contract was obtained by fraud, collusion, conspiracy, or other unlawful means. Any cancellation of contract shall be a basis for removal of the offender from the bid list and exclusion from consideration on future awards. In no instance shall the offender be considered for the next award for similar work.

Section 9. KRS 61.750 is amended to read as follows:

Reports required by KRS 61.710 to 61.780 shall be filed with the Kentucky registry of election finance and shall be public record, subject to inspection by any citizen of the Commonwealth. Within thirty days after reports are due, the registry of election finance shall publish a list of those persons who have filed reports, and shall notify any person required to file, who has failed to file such report, by [registered mail or by] certified mail, return receipt requested of his failure to comply with KRS 61.710 to 61.780.

Section 10. KRS 77.265 is amended to read as follows:

(1) The hearing board may revoke or modify by written order, after a public hearing held upon not less than ten (10) days' notice, any order permitting a variance.

(2) The hearing board shall serve, by personal service [or registered mail] or by certified mail, return receipt requested, notice of the time and place of a hearing to revoke or modify any order permitting a variance not less than ten (10) days prior to such hearing upon the air pollution control officer, upon all persons who will be subjected to greater restrictions if such order is revoked or modified as proposed and upon all other persons interested or likely to be affected who have filed with the hearing board or air pollution control officer a written request for such notification.

(3) If either the identity or address of any person entitled to such notice is unknown, the hearing board shall serve such person by publication of notice once in a newspaper of general circulation published within the district if such newspaper is published therein, otherwise by posting at a public place at the county seat within the district.

Section 11. KRS 100.212 is amended to read as follows:

When in any planning unit containing any portion of a county a hearing is scheduled on a proposal to amend any zoning map plat, plan, text or regulation, the following notice shall be given in addition to any other notice required by statute by local regulation or ordinance to be given:

(1) Notice of the hearing shall be posted conspicuously on the property the classification of which is proposed to be changed for fourteen (14) consecutive days immediately prior to the hearing. Posting shall be as follows:

(a) The sign shall state "zoning change" and the proposed classification change in letters three (3) inches in height. The time, place and date of hearing shall be in letters at least one (1) inch in height.

(b) The sign shall be constructed of durable material and shall state the telephone number of the appropriate zoning commission.

(2) Notice of the hearing shall be given at least fourteen (14) days in advance of the hearing by [registered mail or by] certified mail, return receipt requested to the owners of all property adjoining the property the classification of which is proposed to be changed. It shall be the duty of the person or persons proposing the amendment to furnish to the planning commission the names and addresses of the owners of all adjoining property.

Section 12. KRS 100.214 is amended to read as follows:

When in any planning unit containing any portion of a county containing a city of the first class a hearing is scheduled on a proposal to amend any zoning map plat, plan, text or regulation, the following notice shall be given in addition to any other notice required by statute by local regulation or ordinance to be given:

(1) Notice of the hearing shall be posted conspicuously on the property the classification of which is proposed to be changed for thirty (30) consecutive days immediately prior to the hearing. Posting shall be as follows:

(a) The sign shall state "zoning change" and the proposed classification change in letters three (3) inches in height. The time, place and date of hearing shall be in letters at least one (1) inch in height.

(b) The sign shall be constructed of durable material and shall state the telephone number of the appropriate zoning commission.

(2) Notice of the hearing shall be given at least thirty (30) days in advance of the hearing by [registered mail or by] certified mail, return receipt requested to the owners of all property adjoining at any point the property the classification of which is proposed to be changed, to all owners of property directly across the street from said property, and to all owners of property which adjoins at any point the adjoining property or the property directly across the street. It shall be the duty of the person or persons proposing the amendment to furnish to the planning commission the names and addresses of the owners of all property as described in this subsection. In the event such property is in condominium or cooperative forms of ownership, then the person notified by mail shall be the president or chairman of the owner group which administers property commonly owned by the condominium or cooperative owners.

(3) If the hearing has been scheduled for a time during normal working hours, and if, within fifteen (15) days of the scheduled date of the hearing the planning commission shall receive a petition from two hundred (200) property owners living within the planning unit requesting that the hearing be rescheduled for a time after normal working hours, then the planning commission shall reschedule the hearing for a time after normal working hours on a date no earlier than the date of the original hearing. The planning commission shall then publish notice of the new hearing time and date according to the provisions of KRS 100.211, except that notice shall occur at least seven (7) days prior to the public hearing. The sign required by subsection (1) of this section shall be changed to reflect the new hearing time and date at least seven (7) days prior to the public hearing. The persons who receive mail notice according to the provisions of subsection (2) of this section shall again be notified by certified [or registered] mail, return receipt requested, of the new hearing time and date at least seven (7) days prior to the hearing. The hearing time shall not be changed more than once by the procedures of this section except in the event of intervening emergency which requires the cancellation of a hearing.

(4) Notice by mail shall include a list of the names and addresses of each person so notified, and a description of the procedure by which those notified can petition for a change in the hearing time.

Section 13. KRS 117.315 is amended to read as follows:

(1) The county executive committee of any political party having a ticket to elect at any regular election, may designate not more than two (2) challengers to be present at and witness the holding of the election in each precinct in the county. The challengers shall be entitled to stay in the room or at the door. The challengers shall be registered voters of the county in which the election is held, shall be appointed in writing signed by the chairman of the committee and shall produce written appointments on demand of any election officer.

(2) Any school board candidate, independent candidate, candidate for an office of the court of justice, or independent ticket at the regular election may designate not more than one (1) challenger to be present at and witness the holding of the elections in each precinct in the county. The challenger shall be entitled to stay in the room or at the door. The challenger shall be a registered voter of the county in which the election is held, shall be appointed in writing by the chairman of the committee, independent candidate or candidates representing a ticket, and shall produce written appointment on demand of any election officer.

(3) Not later than thirty (30) days prior to an election at which constitutional amendments or other public questions are to be submitted to the vote of the people, any committee that in good faith advocates or opposes an amendment or public question may file a petition with the clerk of the county asking that the petitioners be recognized as the committee entitled to nominate inspectors and challengers to serve at the election at which the constitutional amendment or public question is to be voted on. If more than one (1) committee alleging itself to advocate or oppose the same amendment file such a petition, the county board of elections shall decide, and announce by [registered mail or by] certified mail, return receipt requested to each committee not less than twenty (20) days immediately preceding the election, which committee is entitled to nominate the challengers and inspectors. Such decision shall not be final, but any aggrieved party may institute proceedings with the county judge/executive and upon hearing the county judge/executive shall determine which of such committees shall be recognized as the one to select inspectors and challengers at the election.

(4) The committee shall file the names of the persons nominated by it with the clerk of the county at least five (5) days before the election. The county board of elections shall, within two (2) days thereafter, certify the nominees of the committee for the respective precincts to serve as challengers and inspectors at the election where any constitutional amendment or public question is to be voted upon. If more than one (1) amendment or question is to be voted upon, the county board of elections may designate, on the petition of the committee, one (1) person for each amendment and question to serve as inspector at the election and one (1) person for each amendment and question to serve as challenger at the election.

(5) The challengers and inspectors shall perform their duties in the same manner and be subject to the same privileges as other inspectors and challengers at an election.

(6) Each political party is entitled to have not exceeding two (2) challengers at each precinct during the holding of the primary election. Any group of bona fide candidates, as defined in KRS 118.176, of the same political party equal to twenty-five percent (25%) of all the candidates for that party to be voted for in a county in any primary, including state, district and all other candidates, may recommend to the county committee or governing authority of the party for the county a list of persons whom they desire to have appointed as challengers in each precinct in the county. If more than two (2) such lists are furnished, the committee or governing authority, in making appointments of challengers, shall alternate between the several lists so furnished so as to give to each list an equal amount or proportion of the appointments, but in no event shall there be appointed more than one (1) challenger for any precinct from any one (1) list. The list of challengers shall be presented to the chairman or secretary of the party committee of the county not less than seven (7) days before the date on which the primary is to be held, and the committee or the chairman thereof shall make the appointments and certify to same at least four (4) days before the date on which the primary is held. The appointment of challengers shall be certified in all respects as challengers at regular elections, except as otherwise provided in this section, and the challengers shall be registered voters of the county in which the primary is held, shall be subject to the same penalties and possess the same rights and privileges as challengers at regular elections, except that the challengers of one (1) political party shall not be entitled to challenge persons who offer to vote for candidates of any other party in the primary. The provisions of this section shall be enforceable against the chairman of the political party committees by a mandatory summary proceeding instituted in the circuit court. The order of the court may be reviewed by the court of appeals as provided for the granting or dissolving of temporary injunctions.

Section 14. KRS 118.165 is amended to read as follows:

(1) Candidates for offices to be voted for by the electors of one county or of a district less than one county, except members of congress and members of the general assembly, shall file their nomination papers with the county clerk of the county not less than fifty-five (55) days before the day fixed by law for holding the primary election. Candidates for offices to be voted for by the electors of more than one county, and for members of congress and members of the general assembly, shall file their nomination papers with the secretary of state not less than fifty-five (55) days before the day fixed by law for holding the primary election.

(2) The secretary of state or the county clerk shall examine the notification and declaration form of each candidate. The proper officer shall notify the candidate by regular mail within twenty-four (24) hours of filing that his papers have been certified. If there is an error the officer shall notify the candidate by *certified* [registered] mail within twenty-four (24) hours of filing. Upon receipt of such notice, the candidate shall correct such error not later than seventy-two (72) hours after the filing deadline.

Section 15. KRS 118.600 is amended to read as follows:

(1) The secretary of state shall forthwith contact each person who has been nominated by the state board of elections or by petition and notify him in writing by certified [or registered] mail with return receipt requested, that his name will appear as a candidate on the Kentucky presidential primary ballot of his party, provided that he:

(a) Deposits with the secretary of state the sum required by KRS 118.610; and

(b) Forwards to the secretary of state a notice of candidacy form to be supplied by the secretary of state along with the written notification required by this section.

(2) Failure of a candidate to deposit the fee required by KRS 118.610 and to execute the notice of candidacy within fifteen (15) days after receipt of the written notification shall be a disclaimer and a withdrawal of his name from the primary.

Section 16. KRS 120.280 is amended to read as follows:

(1) Any elector who was qualified to and did vote on any constitutional convention, constitutional amendment or statewide public question submitted to the voters of the state for their ratification or rejection may contest the election or demand a recount of the ballots by filing a petition, not more than fifteen (15) days after the official canvass and the announcement of the vote for the state by the state board of elections, with the clerk of the Franklin Circuit Court, which court shall have exclusive jurisdiction to hear and determine all matters in such cases. The petition shall set forth the grounds of the contest. The contestant may file with the clerk of the Franklin Circuit Court and the secretary of state a notice of his intention to contest the election before the announcement of the official count by the state board of elections and thereupon the secretary of state shall forthwith notify all the county boards of election commissioners in the counties involved in the contest to hold the ballots cast at the election on the question subject to the order of the Franklin Circuit Court. The notice shall be served by the secretary of state by mailing a true and certified copy of the notice of contest, and the order to hold the ballots subject to the order of the court, by [registered mail or by] certified mail, return receipt requested to the sheriffs of the counties in question, and the sheriffs shall forthwith acknowledge receipt thereof.

(2) The court shall, within five (5) days after the filing of the petition of contest, determine whether there are sufficient grounds stated to justify the contest, and shall thereupon require the contestants to give bonds for costs. All of the hearings relating to the contest shall be held in the courthouse of Franklin County.

(3) The clerk of the Franklin Circuit Court shall cause a notice of the contest to be published pursuant to KRS chapter 424, setting out the substance or the grounds of contest alleged by the contestants.

(4) Any elector who participated in the election on the convention, amendment or statewide public question may make himself a party as contestee in the action by filing his petition to be made a party not later than five (5) days after the contest is instituted, and by giving bond of the costs as required of the contestant. If no elector makes himself a party to the contest, the Commonwealth's attorney for the Franklin Circuit Court shall attend the trial of the cause, and he may file such motions and pleadings in the cause on behalf of the Commonwealth as will insure a fair and honest determination of the contest.

(5) All laws relating to contested elections for state offices shall apply with equal force to contests of the character contemplated by this section, except as otherwise provided in this section and in KRS 120.290.

Section 17. KRS 121.160 is amended to read as follows:

(1) Each candidate shall designate a campaign treasurer at the time and with the office he files as a candidate on a duplicate form prescribed and furnished by the registry and until this requirement is met the candidate shall be listed as his own treasurer and accountable as such. The candidate may appoint himself or any registered voter in Kentucky as his campaign treasurer. The office with which the candidate is required to file shall immediately forward to the registry the duplicate copy of the completed form designating the candidate's campaign treasurer and shall attach the original to the candidate's filing papers. The office with which the candidate files shall promptly notify the registry when a candidate withdraws.

(2) The duties of a campaign treasurer shall be to:

(a) Designate a depository bank for all campaign funds;

(b) Keep detailed and exact accounts of contributions in general and by name, address and occupation where the contribution exceeds one hundred dollars ($100);

(c) Make or authorize all expenditures on behalf of a candidate. Any expenditure in excess of fifty dollars ($50.00) shall disclose the name, address and occupation of every person or firm to whom made, and shall list the date and amount of such expenditure and keep a receipted bill for each;

(d) Maintain all receipted bills and accounts required by this section for a period of four (4) years from the date he files his last report under KRS 121.180(2)(a).

(3) A candidate may remove a campaign treasurer at any time.

(4) In case of the death, resignation or removal of a campaign treasurer the candidate shall within three (3) days after receiving notice thereof by certified mail, return receipt requested, [or registered mail] appoint a successor and shall file his name and address with the registry. The candidate shall be accountable as his own campaign treasurer if he fails to meet this filing requirement.

(5) A person may serve as campaign treasurer for more than one (1) candidate, but all reports must be made separately for each individual candidate.

(6) The candidate may pay a campaign treasurer a salary for his services which shall be considered a campaign expense and must comply with the reporting provisions of KRS 121.015 and 121.100 to 121.200 and those adopted by the registry.

Section 18. KRS 132.620 is amended to read as follows:

(1) The department of revenue shall recover from any property valuation administrator all compensation paid to him for assessments that were unauthorized or excessive when and to the extent it is determined by a final order of the board of assessment appeals, Kentucky board of tax appeals, or a court of competent jurisdiction that such assessments were unauthorized or excessive. Whenever the property valuation administrator fails to render the services required of him or he performs any of his duties in such a manner as to fail to comply substantially with the requirements of the law, he shall be required to pay a sum that will reasonably compensate the Commonwealth of Kentucky for its costs in rendering the duties required to be performed by the property valuation administrator. The department of revenue shall notify the property valuation administrator by [registered mail or by] certified mail, return receipt requested, of any amount charged to be due under this section and a statement of the reasons therefor. The property valuation administrator shall be entitled to a hearing before the Kentucky board of tax appeals, and an appeal may be taken from the final action of the Kentucky board of tax appeals to the courts as provided by law.

(2) Any sum that may become due from any property valuation administrator by reason of this section may be deducted from any amount that the Commonwealth of Kentucky may become obliged to pay such property valuation administrator, or it may be collected from the bondsman of the property valuation administrator.

Section 19. KRS 138.353 is amended to read as follows:

If any excise taxes on gasoline be erroneously refunded, the department shall advise the payee by [registered mail or by] certified mail, return receipt requested of the erroneous refund. If the payee fails to reimburse the Commonwealth within fifteen (15) days after the receipt of the letter, an action may be instituted by the department in the Franklin Circuit Court and the department shall recover from the payee the amount of the erroneous refund plus a penalty of twenty per cent (20%).

Section 20. KRS 156.060 is amended to read as follows:

A majority of the voting members of the state board for elementary and secondary education shall constitute a quorum for the transaction of business. The board shall meet not less than every three (3) months and at such other times as it may be called as provided in this section. Special meetings of the board may be called by the chairman, and upon written request of two (2) members the chairman shall call a special meeting of the board to be held not later than twenty (20) days following receipt of the written request. The chairman shall give notice through the secretary by [registered mail or by] certified mail, return receipt requested to each member of the board at least ten (10) days prior to the time of any meeting, unless all members of the board waive notice in writing. The offices of the board shall be at the seat of government in the department of education and shall be provided by the state. Members of the board may receive a per diem of one hundred dollars ($100) for each regular or special meeting attended and actual expenses for attending meetings, and may be reimbursed for other actual and necessary expenditures incurred in the performance of their duties authorized by the board. The per diem and expenses shall be paid out of the appropriation for the state board for elementary and secondary education.

Section 21. KRS 156.112 is amended to read as follows:

(1) The state board for occupational education is hereby created, and shall consist of nine (9) members. Seven (7) members shall be appointed by the governor, one (1) from each of the seven (7) supreme court districts as established by KRS 21A.010, and shall serve for terms of four (4) years, except the original appointments which shall be the following terms: three (3) members for two (2) years, two (2) members for three (3) years, and two (2) members for four (4) years. There shall be two (2) ex officio non-voting members to be chosen as follows: one (1) member from the lay membership of and selected by the council on higher education and one (1) member from the lay membership of and selected by the state board for elementary and secondary education. The two (2) ex officio members shall serve for terms of one (1) year and may be eligible for annual reappointment for as long as they remain lay members of the board or council by which they are selected.

(2) The term of each member of the board shall begin July 1 in the year in which the member is appointed. Vacancies in the membership of the board shall be filled by the governor for unexpired terms. Appointments shall be made without reference to occupation, political affiliation or similar considerations.

No member at the time of his appointment or during the term of his services shall be engaged as a professional educator.

(3) A majority of the voting members of the board shall constitute a quorum for the transaction of business. The board shall meet no less than every three (3) months and at such other times as it may be called as provided in this section. Special meetings of the board may be called by the chairperson; and, upon written request of two (2) members, the chairperson shall call a special meeting of the board to be held not later than twenty (20) days following receipt of the written request. The chairperson shall give notice through the secretary by [registered or by] certified mail, return receipt requested, to each member of the board at least ten (10) days prior to the time of any meeting, unless all members of the board waive notice in writing. The offices of the board shall be at the seat of government in the Kentucky state department of education and shall be provided by the state. Members of the board shall receive a per diem of one hundred dollars ($100) for each regular or special meeting attended and actual expenses for attending meetings, and may be reimbursed for other actual and necessary expenditures incurred in the performance of their duties authorized by the board. The per diem and expenses shall be paid out of the appropriation for the state board for occupational education.

(4) At the first regular meeting of the board in each fiscal year a chairperson shall be elected from its members.

(5) The superintendent of public instruction or his designee shall be the executive officer of the state board for occupational education.

(6) The office of deputy superintendent for the department for occupational education is hereby created and shall be filled by appointment by the superintendent of public instruction, subject to the provisions of KRS 12.050.

(7) The deputy superintendent for occupational education shall select a secretary who shall be an employe of the Kentucky state department of education. It shall be the duty of the secretary to handle the board's correspondence and maintain a permanent record of its proceedings.

(8) The primary function of the state board for occupational education shall be to develop and adopt policies and regulations by which the department for occupational education shall be governed in planning, coordinating, administering, supervising, operating and evaluating occupational education programs, services and activities within the scope of its authorized responsibility.

(9) The state board for occupational education is hereby designated as the sole state agency for the purpose of developing and approving state plans required by state or federal laws and regulations as prerequisites to receiving state or federal funds for vocational education, vocational rehabilitation, and adult education. Any and all agencies of state government that administer vocational-technical occupational programs shall be involved in the development of state plans required by state or federal laws and regulations.

Section 22. KRS 157.820 is amended to read as follows:

(1) If any of the officers of the authority whose signatures or facsimiles thereof appear on any bonds of the authority, or on any interest coupons appurtenant thereto, or on any other instruments or documents pertaining to the functions of the authority, shall cease to be such officers before delivery of the bonds, or before the effective date or occasion of such instruments or documents, the signatures, and facsimiles thereof, shall nevertheless be valid for all purposes the same as if the officers had remained in office until such delivery or effective date or occasion.

(2) Any six (6) members of the authority shall constitute a quorum for the transaction of business at any meeting convened as hereinafter set forth. The superintendent shall be the chairman. The authority shall elect a vice-chairman from its membership, and shall elect a secretary-treasurer and an assistant secretary-treasurer, each of whom may be a member of the authority or an employe of the department, or a person otherwise employed for such position. The duties of such officers shall be as the authority may prescribe.

(3) The authority shall meet not less than every three (3) months beginning in July of 1978, and at such other times as it may be called as provided in this section. Special meetings of the authority may be called by the chairman, and upon written request of two (2) members the chairman shall call a special meeting of the authority to be held not later than twenty (20) days following receipt of the written request. The chairman shall give notice through the secretary by [registered mail or by] certified mail, return receipt requested, to each member of the authority at least ten (10) days prior to the time of any meeting, unless all members of the authority waive notice in writing. The offices of the authority shall be at the seat of state government.

(4) The authority may adopt bylaws relating to its organization and internal management, and may alter the same at will. Through its bylaws, or by resolution, it shall establish stated times and places for regular meetings; and may adjourn the same from time to time. If a quorum be present at any special meeting, and it shall appear from the minutes that reasonable notice was given to absent members, or waived by them, or the minutes subsequently consented to by them, any business transacted or action taken thereat shall be as fully regular and official as if transacted or taken at a regular meeting or an adjournment thereof.

(5) The authority may adopt rules and regulations for the conducting of its business and affairs, subject to the provisions of KRS Chapter 13.

Section 23. KRS 159.180 is amended to read as follows:

Every parent, guardian or custodian of a child residing in any school district in this state is legally responsible for any violation of KRS 159.010 to 159.170 by the child. Before any proceedings are instituted against the parent, guardian or custodian for violation of KRS 159.010 to 159.170, a written notice of the violation shall be served on the person by the director of pupil personnel, and one (1) day shall be given for the termination of the violation. After such notice, if the violation is continued or if the provisions of KRS 159.010 to 159.170 are again violated during the school term by the child, no further notice shall be necessary and the parent or guardian shall be punishable as provided in KRS 159.990. A notice by [registered mail,] certified mail, return receipt requested or by personal service by the director of pupil personnel shall be a legal notice.

Section 24. KRS 160.045 is amended to read as follows:

(1) If seventy-five per cent (75%) of either the registered voters or property owners in an area adjacent to either a county or independent school district petition the respective school boards for a transfer of said property to the school board district other than that in which it is located or if either board initiates such action, the school boards may effect such transfer by agreement, duly spread upon the minutes of their respective boards.

(2) In the event that the boards fail to agree within ninety (90) days from the filing of petitions for such a transfer, either board may petition the superintendent of public instruction for approval or disapproval of the transfer of the property involved. In his consideration for giving approval or disapproval, he shall be governed by any policies and rules and regulations of the state board of education which may be affected by the transfer of the property and shall give due consideration to the following: the ratio of the wealth of the territory involved in its relation to the total wealth of the district from which the territory will be annexed; the effect of the proposed territorial loss or gain on the educational programs of the respective districts; extent of and effect on the physical plant, facilities and equipment available in each of the affected districts; the indebtedness and bonded or rental obligations of the respective districts; any contemplated indebtedness or obligation arising out of the proposed transfer; and such other factors as may have a bearing upon the determination of the desirability of the proposed annexation from the vantage point of all interested persons.

(3) In those instances where the requested transfer will result in a surplus of physical plant, facilities or equipment in the transferring school district, the superintendent of public instruction shall determine an equitable plan for the transfer of any such surplus to the annexing district as his plan may determine will be needed. His plan shall be based on the fair value of such property on a replacement basis, taking into consideration its age and condition. In any considerations and suggestions which he may propose for the settlement of the differences between the boards of education, he shall be bound by any agreements outstanding between the boards of education of the school districts upon the effective date of this law.

(4) In the event the superintendent of public instruction is unable to arrive at a satisfactory agreement with the two (2) boards of education concerning the transfer of the involved property within one hundred twenty (120) days from the time it is presented to him, either board may request that he bring the matter on for hearing before the state board of education at its next regularly scheduled meeting. In that event, he shall file with the state board of education all the facts which he has gathered, the recommendation he has made, and the basis for his recommendation, for their consideration.

(5) Within at least ten (10) days before the holding of any hearing provided for in subsection two (2) or subsection four (4) of KRS 160.045, the superintendent of public instruction shall serve written notice thereof, by [registered mail or by] certified mail, return receipt requested, on the respective boards fixing the time and place at which the hearing shall be conducted. All hearings provided for herein shall be open to the public, and any interested person may appear and be heard in accordance with such rules and regulations as the state board of education may prescribe with reference thereto.

Section 25. KRS 160.597 is amended to read as follows:

Any school tax authorized by KRS 160.593 to 160.597, 160.601 to 160.633, and 160.635 to 160.648 may be recalled as follows:

(1) The order or resolution levying any of the school taxes designated heretofore in this section shall go into effect not less than thirty (30) days nor more than ninety (90) days after its passage. If during the thirty (30) days immediately following the passage of the order or resolution a petition signed by a number of registered and qualified voters equal to fifteen per cent (15%), except in counties containing a city of the first class, equal to five percent (5%), of the votes cast in the school district or combined taxing district levying the tax for the office receiving the greatest total vote at the last preceding presidential election is presented to the county board of elections requesting that the order or resolution of such tax be placed on the ballot for voter approval, the order or resolution shall be suspended from going into effect for that district until after the election provided for in subsection (2) of this section. The person presenting the petition shall be given a receipt indicating the date of presentation. Each sheet of the petition shall contain the names and addresses of voters in but one (1) voting precinct and each sheet shall state the name, number, or designation

of the precinct and, where applicable, the name, number or designation of the district or ward wherein the precinct is situated. Each voter shall sign his name in the same manner as he signed the current registration form described in KRS 116.153 or subsection (2) of KRS 116.045, as the case may be. If the signature is difficult to read, the voter shall, on the same line legibly write or print his name in the same fashion as he signed it. One or more persons shall verify by affidavit the signatures and addresses of the signers of the petition. The county board of elections shall make the determination of whether the petition contains enough signatures of qualified voters to suspend the effect of the order or resolution, and immediately thereafter shall notify the school board that the petition has been received and that the order or resolution levying such tax will be placed on the ballot for voter approval at the next general election. The board of elections shall certify to the school board within thirty (30) days of receipt of the petition that the petition is properly presented and in compliance with the provisions of this section. If the board of elections finds the petition to be invalid, it shall state in writing the deficiency of said petition. Written notification that the petition has been declared invalid and the deficiencies thereof shall be sent by *certified* [registered] mail to the person to whom a receipt was given by the board of elections, and shall be published at least one time in a newspaper of general circulation within the county containing the school district levying the tax, or if there be no such newspaper, shall be posted at the courthouse door. If good cause is shown, the board of elections shall permit the petitioners to correct the deficiencies either by securing additional valid signatures or by circulating a new petition, such petition to be submitted to the board within thirty (30) days from the date of the written notification of the deficiencies.

(2) Thereupon, if it has been determined that the petition contains enough valid signatures to suspend the effect of the order or resolution, the county board of elections shall submit to the voters of the school district in which a valid recall petition has been filed pursuant to subsection (1) of this section at the next regular November election the question as to whether the tax shall be levied. The question shall be so framed that the voter may by his vote answer, "for" or "against." If a majority of the votes cast in a district or combined taxing district upon the question oppose its passage, the order or resolution shall not go into effect in that district or combined taxing district. If a majority of the votes cast in a district or combined taxing district upon the question favor its passage, the order or resolution shall go into effect in that district. In the event that the election is to be held in more than one (1) school district within a county the votes shall be counted separately.

(3) If any statute in existence on June 17, 1978, is found to be in conflict with any provision of this section, the provisions of this section shall prevail.

Section 26. KRS 165A.350 is amended to read as follows:

(1) No person shall solicit or perform the services of an agent in this state for a proprietary school, located either within or without this state, unless said person shall have been issued an agent's permit for said proprietary school.

(2) No person shall be issued an agent's permit unless he is an individual of good moral character as determined by the board.

(3) Except as otherwise provided, no person shall be issued an agent's permit unless he shall make application upon forms to be provided by the board, and unless said application shall be accompanied by a fee as established by the board and a good and sufficient surety bond or other collateral as required by the board but not less than five thousand dollars ($5,000).

(4) (a) The surety bond or other collateral shall be conditioned to provide indemnification to any student or enrollee who shall suffer loss or damage as a result of fraud or misrepresentation to said student or enrollee in procuring his enrollment in a course or courses of instruction or study offered or maintained by said proprietary school. The amount of liability on said surety bond or other collateral shall cover each agent each school year, as the term "school year" is defined herein. Regardless of the number of years that an agent's bond is in force, the aggregate liability of the surety bond shall, in no event, exceed the penal sum of the bond. The surety bond may be continuous.

(b) Any claimant may file with the board a duly verified claim against an agent. The board may consider a claim after ten (10) days' written notice by *certified* [registered] mail, return receipt requested, to such licensee of said complaint giving time and place of hearing thereon and if such claim is found to be correct and due to the claimant, and if the board cannot effect a settlement by persuasion and conciliation, the board shall make a demand upon the principal on such bond and the surety thereon, and if not paid shall bring an action on such bond in any court of record within the state of Kentucky.

(5) The surety bond may be of blanket form to cover more than one (1) agent for a proprietary school, but it shall provide the required minimum coverage for each agent.

(6) A surety on said bond may be released therefrom after said surety shall make a written notice thereof directed to the board at least thirty (30) days prior to said release.

(7) The surety bond shall cover the period of the agent's permit except when a surety shall be released in the manner as provided herein.

(8) Notwithstanding the provisions of other sections, the board may issue an agent's permit to each person who is an owner of more than ten percent (10%) legal interest in a proprietary school located in this

state and who is a resident of this state, and no such owner shall be required to pay the agent's permit fee or execute an agent's surety bond as otherwise required by this section; provided, that said proprietary school shall have been issued a certificate of approval pursuant to the provisions of KRS 165A.310 to 165A.400.

(9) An agent's permit shall be suspended by operation of law when said agent is no longer covered by a surety bond or other collateral is withdrawn as required by KRS 165A.310 to 165A.400; but the board shall cause said agent to receive at least ten (10) days' written notice prior to the release of his surety to the effect that said permit shall be suspended by operation of law until another surety bond or other collateral shall be filed in the same manner and like amount as required by the board.

(10) An agent's permit shall be valid for a period of one (1) school year as herein defined, except when suspended or cancelled pursuant to these provisions. An agent's permit may be renewed in the same manner and under the same conditions prescribed for the issuance of an initial agent's permit.

Section 27. KRS 165A.360 is amended to read as follows:

(1) No person, company, firm, corporation, association, society, or partnership shall maintain and operate a proprietary school located or doing business within this state until said school shall have been issued a certificate of approval by the board pursuant to the provisions of KRS 165A.310 to 165A.400. No certificate of approval shall be issued by the board to any proprietary school which denies enrollment in said school to any pupil, on account of race, color, or creed. The Kentucky commission on human rights shall have power to make investigation as to discriminatory practices of any proprietary school, and shall report thereon to the board, and said board shall, upon report that any such school is engaging in discriminatory practices, deny or suspend a certificate of approval of such school, in accordance with the provisions of this section and after notice and public hearing as required herein.

(2) No proprietary school shall be issued a certificate of approval unless it shall make application, through its officers or an owner, upon forms to be provided by the state board, and unless said application shall be accompanied by a fee as established by the board and a good and sufficient surety bond or other collateral in a penal sum of not less than twenty thousand dollars ($20,000).

(3)(a) The surety bond or other collateral shall be conditioned to provide indemnification to any student or enrollee or his parent or guardian suffering loss or damage as a result of any fraud or misrepresentation used in procuring his enrollment or as a result of any fraud or misrepresentation as represented by the application for the certificate of approval, or as a result of the student being unable to complete the course or courses because the school ceased operations. Such indemnification shall, in no case, exceed the advanced tuition paid or to be paid by said student or students or any such parent or guardian and regardless of the number of years that a school's bond is in force, the aggregate liability of the surety bond shall, in no event, exceed the penal sum of the bond. The surety bond may be continuous.

(b) Any claimant may file with the board a duly verified claim against a proprietary school. The board may consider such claim after ten (10) days' written notice by *certified* [registered] mail, return receipt requested, to such school of said complaint giving time and place of hearing thereon and if such claim is found to be correct and due to the claimant, and if the board cannot effect a settlement by persuasion and conciliation, the board shall make a demand upon the principal on such bond and the surety thereon, and if not paid may bring an action on such bond in any court of record within the state of Kentucky.

(4) A surety on said bond may be released therefrom after said surety shall have made a written notice thereof directed to the board at least thirty (30) days prior to said release.

(5) The surety bond shall cover the period of the certificate of approval except when said surety shall be released in the manner as provided by this section.

(6)(a) The certificate of approval shall be suspended by operation of law when said proprietary school is no longer covered by a surety bond or other collateral as required by this section; but the board shall cause said proprietary school to receive at least ten (10) days' written notice prior to the release of said surety to the effect that said approval shall be suspended by operation of law until another surety bond shall be filed in the same manner and like amount as required for the initial surety bond.

(b) The certificate of approval shall be suspended by operation of law at any time any certified proprietary school shall deny enrollment in said school to any pupil, on account of race, color, or creed.

(7) The application for a certificate of approval shall be accompanied by such supporting documents as the board may require. The application and accompanying data shall be certified as true and correct in content and policy by the chief executive officer of said proprietary school.

(8) A certificate of approval shall be valid for a period of one (1) school year, beginning the first day of July and ending the thirtieth day of June next following, except when said approval shall be suspended or cancelled pursuant to the provisions herein. A certificate of approval may be renewed in the same manner and under the conditions prescribed by the board.

(9) The bonding or other collateral requirements herein set forth may be reduced at the sole discretion of the board upon a showing by the proprietary school that they are excessive in the case of any particular proprietary school.

Section 28. KRS 171.290 is amended to read as follows:

In a proceeding to revoke a certificate of librarianship under the provisions of KRS 171.990(2), written notice of the proposed action shall be delivered in person, or forwarded by [registered mail or by] certified mail, return receipt requested to the holder of the certificate at his last known post-office address, stating the cause for the contemplated action together with a copy of the charges and appointing a time and a place for the hearing by the board.

Section 29. KRS 177.130 is amended to read as follows:

(1) The department shall give at least ten (10) days' notice by [registered mail or by] certified mail, return receipt requested to the railroad company of a hearing to be held at a time and place stated in the notice, at which hearing it shall consider whether or not the proposed grade separation or change is reasonably necessary and the most advantageous method of effecting the grade separation or change. If the department finds that the grade separation or change is reasonably necessary, it shall make an order to that effect and furnish a copy thereof by [registered mail or by] certified mail, return receipt requested to the railroad company. The order shall specify the location of the crossing to be substituted, the grade thereof, whether it shall pass over or under the railroad tracks, the width of the crossing and the angle at which the crossing shall meet and converge into the roadbed on either side of the railroad tracks. The order may direct the railroad company to prepare plans, specifications and estimates of cost for the grade separation or change in accordance with the general plan prescribed by the order. The order may provide that the plans, specifications and estimates of cost shall be prepared by the department.

(2) When a primary road is relocated and the grade is separated and the new underpass or overhead bridge is located at some point other than the old grade crossing, and when it is necessary that the original grade crossing on the old road be left in for the accommodation of the local public to be used as a county road or private road leading into the primary road, the department shall not take any of the responsibility for the closing of the grade crossing, but its status shall be left to the discretion of the county officials and the railroad company.

Section 30. KRS 177.150 is amended to read as follows:

(1) After receipt of the plans, specifications and estimates of cost from the railroad company the department shall give at least ten (10) days' notice by [registered mail or by] certified mail, return receipt requested to the railroad company of a time and place for final hearing with respect to the grade separation or change. If the department elects to prepare plans, specifications and estimates of cost, it shall furnish copies thereof to the railroad company prior to or at the time it gives notice of a final hearing. At the final hearing, the department shall approve or modify the plans and specifications and shall consider and determine the method of doing the work, whether by the railroad company or by the department, or partly by one and partly by the other, and whether by contract or by the employes of the department or the railroad company, or both, or by any combination of these methods, and if by contract, the method and manner of advertising for bids, the time and place of opening the bids, the time when work shall be begun and completed, and all similar matters of an administrative nature. The department shall embody its conclusions in a final order, a copy of which shall be sent by [registered mail or by] certified mail, return receipt requested to the railroad company.

(2) The department and any railroad company may agree by contract as to the method of eliminating any grade crossing or changing any existing overhead or underpass structure. In event of such agreement all notices, hearings and proceedings shall be deemed to have been waived, and the work of eliminating the grade crossing or making the change shall be performed in accordance with the terms of the contract, with the same effect as though the work was being performed pursuant to a final order of the department.

Section 31. KRS 178.355 is amended to read as follows:

(1) Whenever the fiscal court considers it reasonably necessary for the public safety, it may in the manner hereinafter provided, order any railroad company, either steam or electric, owning or operating a railroad in its county, to eliminate any existing grade crossing or change any existing overhead or underpass structure where any county road crosses the railroad tracks of such company.

(2) The fiscal court shall give at least ten (10) days' notice by [registered mail or by] certified mail, return receipt requested to the railroad company of a hearing to be held at a time and place stated in the notice, at which hearing it shall consider whether or not the proposed grade separation or change is reasonably necessary and the most advantageous method of effecting the grade separation or change. In determining whether the proposed grade separation or change is reasonably necessary, the fiscal court shall receive evidence of, and shall consider, all relevant facts, including the present and prospective density of highway traffic and the present and prospective frequency and speed of train movements over the crossing, the adequacy of existing or proposed signals or warning devices for the protection of highway traffic at the grade crossings, the possibility and probability of personal injury to the public using the highway and to employes and passengers of the railroad company and damage to property, and the cost of the grade separation or change in relation to benefits resulting from the proposed construction. If the fiscal court finds that the grade separation or change is reasonably necessary, it shall make an order to that effect and furnish a copy thereof by [registered mail or by] certified mail, return receipt requested to the railroad company. The order shall specify

a general plan for the new or changed grade separation. The order shall direct the railroad company to prepare plans, specifications and estimates of cost for the grade separation or change in accordance with the general plan prescribed by the order, or may provide that the plans, specifications and estimates of cost shall be prepared by the county if the grade separation structure shall pass over the railroad tracks. The plans, specifications and estimates of cost may, if requested by any public utility, provide facilities for such public utility.

(3) Within ninety (90) days after the entry of an order directing a grade separation or change, and the preparation of plans, specifications and estimates of cost by the railroad company, the railroad company shall present to the fiscal court, plans, specifications and estimates of cost for the grade separation or change, including the necessary approaches thereto.

(4) After receipt of the plans, specifications and estimates of cost from the railroad company the fiscal court shall give at least ten (10) days' notice by [registered mail or by] certified mail, return receipt requested to the railroad company of a time and place for final hearing with respect to the grade separation or change. If the fiscal court elects to prepare plans, specifications and estimates of cost, it shall furnish copies thereof to the railroad company prior to or at the time it gives notice of a final hearing. At the final hearing the fiscal court shall consider whether or not the plans make reasonably adequate provision for present and future safety and convenience of highway traffic and present and future safety and efficiency of operation of trains of the railroad company, its employes and passengers, and for the development of highway and railroad facilities, and shall approve or modify the plans and specifications. It shall then consider and determine the method of doing the work, whether by the railroad company or by the county, or partly by one and partly by the other, and whether by contract or by the employes of the county or the railroad company, or both, or by any combination of these methods, and if by contract, the method and manner of advertising for bids, the time and place of opening the bids, the time when work shall be begun and completed, and all similar matters of an administrative nature. The fiscal court shall embody its conclusions in a final order, a copy of which shall be sent by [registered mail or by] certified mail, return receipt requested to the railroad company.

(5) The fiscal court may reject or order the rejection of all bids submitted for the work, or any part thereof, and require a readvertisement for bids. The fiscal court may reject all bids and elect to do the work itself, or partly by itself and by the railroad company, or by contractors, or by a combination of these methods. If the work includes a structure to support the railroad tracks, the railroad company shall have the right to supervise the construction of that part of the work. If the fiscal court elects to do the work itself there shall not be charged to the railroad company any sum in excess of that it would have been required to pay had the contract been let to the lowest bidder.

(6) In all cases where the work is let by the railroad company on contract, the work shall be done under the general supervision of the county road engineer.

(7) The cost of all work incident to or occasioned by the elimination of the grade crossing and the construction of a substituted crossing, or the reconstruction of an existing overhead or underpass structure, including, without limitation of the generality of the foregoing, the cost of preparing plans and specifications, the cost of acquisition of necessary property and property damage, if any, the construction of approaches, drainage structures, and streets and pavements, shall be paid in the proportion of fifteen per cent (15%) by the railroad company and eighty-five per cent (85%) by the county.

(8) As the work progresses the fiscal court shall furnish to the railroad company, and the railroad company shall furnish to the fiscal court, a monthly statement showing in detail all amounts expended in connection with the work. On or about the fifteenth of each month, the county road engineer shall prepare a statement showing the total amount expended to the close of the preceding month, the amount paid or expended by each party up to that time, and the amount due from the county to the railroad company or from the railroad company to the county. Upon receipt of the statement each party shall pay to the other the amounts shown to be due thereby.

(9) All payments made on such monthly statements shall be considered only payments on account, and upon final completion of the work the county road engineer shall prepare and furnish to the railroad company a statement showing the total cost of the work, the amount paid or expended by the county or the railroad company, and the amount due from one to the other. Each party shall be afforded reasonable opportunities to verify the statements of expenditures by the other, and the balance due as certified by the county road engineer in his final statement shall be paid by one party to the other promptly upon receipt of such final statement.

(10) The fiscal court and any railroad company may agree by contract as to the method of eliminating any grade crossing or changing any existing overhead or underpass structure. In event of such agreement all notices, hearings and proceedings shall be deemed to have been waived, and the work of eliminating the grade crossing or making the change shall be performed in accordance with the terms of the contract, with the same effect as though the work were being performed pursuant to a final order of the fiscal court.

Section 32. KRS 178.360 is amended to read as follows:

(1) After June 19, 1952, if the fiscal court proposes to construct a new county road across an existing railroad, or a railroad company proposes to construct a new railroad across an existing county road, the party proposing such construction shall provide the other party with plans and specifications for its proposed construction, showing the location thereof, and, if the proposed crossing is to be separated, a general plan for such separation. The fiscal court shall give at least ten (10) days' notice of a hearing to be held at a time and place stated in the notice, at which hearing it shall consider whether the proposed crossing shall be approved and whether a grade separation is reasonably necessary for the present and future safety and convenience of highway traffic and present and future efficient operation of the railroad company's facilities and the safety of its employes and passengers, and in accordance with the standards prescribed for grade separations in KRS 178.355.

(2) If the fiscal court shall find that a grade separation is reasonably necessary at such proposed crossing, it shall approve, or provide for the submission and subsequent approval of, plans and specifications for the grade separation. The determinations of the fiscal court shall be by order, and its final determination shall be by final order, which shall fix the method of doing the work in the manner provided in subsection (4) of KRS 178.355, and which shall be served on the railroad company by [registered mail or] certified mail, return receipt requested. If the fiscal court orders a grade separation at such proposed crossing, the entire cost of such separation shall be borne by the party proposing the crossing.

(3) The fiscal court and the railroad company may agree by contract as to the method of constructing grade separations under this section and the distribution or allocation of cost thereof, under this section, and in such event, all notices, hearings and orders shall be deemed to have been waived, and the construction of the crossing shall be performed in accordance with the terms of the contract, with the same effect as though the work was being performed pursuant to a final order of the fiscal court.

Section 33. KRS 186.565 is amended to read as follows:

(1) Any person who operates a motor vehicle in this state is deemed to have given his consent to a chemical test of his blood, breath, urine or saliva for the purpose of determining the alcoholic content of his blood, if arrested for any offense arising out of acts alleged to have been committed while the person was driving or in actual physical control of a motor vehicle in this state while under the influence of intoxicating beverages. The test shall be administered at the direction of a law enforcement officer having reasonable grounds to believe the person to have been driving or in actual physical control of a motor vehicle in this state while under the influence of intoxicating beverages. The law enforcement agency by which the officer is employed shall designate which of the aforesaid tests shall be administered, and provide necessary equipment. The state shall provide one breathalizer and simulating unit for each county, paid for by state funds.

(2) Any person who is dead, unconscious or who is otherwise in a condition rendering him incapable of refusal is deemed not to have withdrawn the consent provided in subsection (1) of this section and the test may be given.

(3) If a person under arrest refuses upon the request of a law enforcement officer to submit to a chemical test designated by the law enforcement agency as provided in subsection (1) of this section, the requesting officer shall warn the person of the effect of his refusal to submit to the test. If the person again refuses, none shall be given, but the department of transportation, upon the receipt of a sworn report of the law enforcement officer that he had reasonable grounds to believe the arrested person had been driving or was in actual physical control of a motor vehicle in this state while under the influence of intoxicating beverages, that the person refused to submit to the test upon the request of the law enforcement officer, and that the person again refused to submit to the test after the law enforcement officer warned him of the effect of his refusal, the department shall immediately serve notice upon said person in writing by mailing the notice to the person by certified [or registered] mail to the last known residence address of the person or if the address is unknown, to the last known business address of the person to appear before the secretary or his duly authorized agent and show cause why his license to operate a motor vehicle, or if said person is a nonresident his privilege to operate a motor vehicle within this state should not be revoked; or if the person is a resident without a license or permit to operate a motor vehicle in this state why that person should not be denied the issuance of a license or permit. The hearing shall be scheduled as early as practical but not sooner than ten (10) days after the issuance of the notice and at a time and place designated by the secretary.

(4) For the purpose of the hearing, held in accordance with the order to show cause, the secretary may appoint an examiner who shall have the power to preside at the hearing. Upon the hearing the secretary or his duly authorized agent may administer oaths and may issue subpoenas for the attendance of witnesses and the production of relevant books and papers and may require a re-examination of the licensee. The scope of the hearing shall cover the issues of whether a law enforcement officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle in this state while under the influence of intoxicating beverages, whether the person was placed under arrest, and whether he refused to submit to the test upon request of the officer. All testimony at the hearing shall be recorded. The secretary's ruling shall include a statement of the findings of fact, rulings of law and other matters pertinent to the question at issue. The secretary within ten days after the completion of the hearing shall order either:

that the person's license to operate a motor vehicle, or, if the person is a nonresident, his privilege to operate a motor vehicle within this state be revoked for a period of not more than six months or if the person is a resident without such license that there should be a denial of issuance of a license for a period of not more than six months; or that no action be taken regarding said person's privilege to operate a motor vehicle. The secretary shall immediately notify the person of his ruling in writing by certified [or registered] mail. If the person shall fail to attend the show cause hearing without good cause shown the secretary shall forthwith revoke the person's license or privilege to operate a motor vehicle or deny issuance of a permit or operator's license.

(5) If the revocation or determination that there should be a denial of issuance is sustained after the hearing, the person whose license or permit to drive or nonresident operating privilege has been revoked, or to whom a license or permit is denied, under the provisions of this section, may file a petition in the circuit court of the county in which the person resides or in the circuit court of the county in which the alleged offense was committed or in Franklin Circuit Court to review the final order of revocation or denial by the secretary within twenty (20) days after the final order has been issued. The perfected appeal suspends the order of revocation pending a final determination of the review. If the final judgment of the court finds against the person appealing, the period of revocation is determined by taking into account the period of time during which the revocation was effective before the appeal was perfected. The department of transportation shall file with its answer a copy of the secretary's ruling and a transcript of evidence. The court's review is limited to whether the secretary's ruling is supported by substantial evidence and whether his action is arbitrary or capricious. An appeal to the Court of Appeals suspends the order of revocation pending a final determination of the review. If the final judgment of the court finds against the person appealing, the period of revocation is determined by taking into account the period of time during which the revocation was effective before the appeal was perfected.

(6) When it has been finally determined that a nonresident's privilege to operate a motor vehicle in this state has been revoked, the department shall give information in writing of the action taken to the motor vehicle administrator of the state of the person's residence and of any state in which he has a license. The provisions of this section shall not apply to a person who refuses to submit to a chemical test of his blood, breath, urine or saliva if that person has enrolled in a driver's education program under the terms and conditions of KRS 186.560(4) and rules and regulations adopted thereunder.

Section 34. KRS 188.030 is amended to read as follows:

The clerk of the court in which the action is brought shall issue a summons against the defendant named in the complaint and direct it to the sheriff of Franklin County. The sheriff shall execute the summons by delivering a true copy to the secretary of state and shall also deliver with the summons an attested copy of plaintiff's complaint. The secretary of state shall immediately mail the copy of the summons and complaint to the defendent at the address given in the complaint. The letter shall be posted by prepaid [registered mail or by] certified mail, return receipt requested and shall bear the return address of the secretary of state. The sheriff shall make the usual return to the court, and in addition the secretary of state shall make a return to the court showing that the acts contemplated by this statute have been performed, and shall attach to his return the registry receipt, if any. Summons shall be deemed to be served on the return of the secretary of state and the action shall proceed as provided in the Rules of Civil Procedure.

Section 35. KRS 190.0491 is amended to read as follows:

(1) "Delivery" of a motor vehicle to a dealer by a manufacturer or distributor for the purposes of this section shall be accomplished by the:

(a) Tender of the motor vehicle and any documents necessary to enable the dealer to obtain title and possession of the motor vehicle at the dealer's place of business or designated place of delivery, and

(b) The giving of notice of such tender of the motor vehicle and documents to the dealer.

(2) Whenever a motor vehicle is damaged while in transit when the carrier or the means of transportation is designated by the manufacturer or distributor, or whenever a motor vehicle is otherwise damaged prior to delivery to the dealer, the dealer must:

(a) Notify the manufacturer or distributor of such damage within three (3) working days of the occurrence of the delivery of the motor vehicle as defined in subsection (1), above; and

(b) Must request from the manufacturer or distributor authorization to repair the damages sustained or to replace the parts or accessories damaged.

Such notification of damage by the dealer must be by *certified* [registered] mail, with a notice of delivery requested to be returned to the dealer, and shall be presumed to have occurred upon deposit of the notice with the United States postal service.

(3) In the event the manufacturer or distributor refuses or fails to authorize repair or replacement of any such damage within three (3) working days of notification of damage by the dealer, ownership of the motor vehicle shall revert to the manufacturer or distributor, and the dealer shall incur no obligations, financial or otherwise, for such damage to the motor vehicle. In determining when such notification of the

damage by the dealer to the manufacturer or distributor occurs, the date the notice is received by the manufacturer or distributor by the United States postal service indicated on the notice of delivery returned to the dealer shall be controlling.

(4) In computing the lapse of three (3) working days under this section, the day of the occurrence of delivery of the motor vehicle to the dealer by the manufacturer or distributor, as defined in subsection (1) of this section, or the day of notification of the damage to the manufacturer or distributor by the dealer, as described in subsection (3) of this section, is not to be included, but the last working day of the period so computed is to be included.

(5) Prior to the sale of any motor vehicle damaged prior to delivery to the dealer as described in subsection (2) of this section, excluding damage to glass, tires and bumpers when replaced by identical manufacturer's original equipment and any damage requiring less than four (4) hours to repair, above, the occurrence and extent of such damage must be disclosed by the dealer to the consumer, and upon repair of the damage sustained, or replacement of the parts or accessories damaged, the manufacturer and/or dealer, must certify to the consumer that the motor vehicle has been repaired or remanufactured to the manufacturer's standards; if the dealer makes the certification he shall be indemnified by the manufacturer. Upon such certification, liability for any concealed damages then remaining with the motor vehicle shall lie with the manufacturer.

(6) Whenever a motor vehicle is damaged after delivery to the dealer by the manufacturer or distributor, as defined in subsection (1) of this section, but before sale by the dealer to the consumer, the occurrence and extent of such damage must be disclosed by the dealer to the consumer prior to such sale, and upon repair of the damage sustained, or replacement of parts or accessories damaged, the dealer must certify to the consumer that this motor vehicle has been repaired or remanufactured according to the manufacturer's standards. Upon such certification, liability for any concealed damages then remaining with the motor vehicle shall lie with the dealer.

Section 36. KRS 198B.070 is amended to read as follows:

(1) The mayor, chairman of the board of trustees, or county judge/executive of a local government which is enforcing the uniform state building code may, upon the approval of the local legislative body, appoint a local appeals board, consisting of at least three (3) technically qualified persons with professional experience related to the building industry, to hear appeals from the decisions of the local building official.

(2) Local governments which are enforcing the uniform state building code may cooperate with each other to provide a local appeals board and shall adhere to the provisions of KRS Chapter 65 when entering such cooperative agreements. No local building official or employe of a local inspection department may sit on a local appeals board if such board is hearing an appeal to a decision rendered by his department. No member of a local appeals board shall hear an appeal in a case in which he has a private interest.

(3) Any party to a decision by the local building official may appeal that decision to the local appeals board. Upon receipt of an appeal from a qualified party, the local appeals board shall convene a hearing to consider the appeal within fifteen (15) days of receipt. All parties to the appeal shall be notified of the time and place of the hearing by letter mailed by [registered or] certified mail no later than ten (10) days prior to the date of the hearing. The local appeals board shall render a decision within five (5) working days after the hearing.

(4) A local appeals board may uphold, amend, or reverse the decision of a local building official, and there shall be no appeal from the decision of a local appeals board other than by appeal to the board of housing, buildings and construction. Appeals to the board of housing, buildings and construction shall include citation of those provisions of the uniform state building code which are at issue, and an explanation of why the decision of the local appeals board or the local building official relative to those provisions is being contested.

(5) The board of housing, buildings and construction shall serve to hear appeals from the decisions of local appeals boards, when such boards exist, or to hear appeals directly from the decisions of local building officials in cases where no local appeals board has jurisdiction. In no case shall the board hear an appeal directly from a party aggrieved by the decision of a local building official when there is a local appeals board with jurisdiction in the case.

(6) The board shall hear appeals directly from a party aggrieved by the decision of an agent of the department. Such appeals shall include citations of those provisions of the uniform state building code which are at issue, and an explanation of why the decision of the agent of the department relative to those provisions is being contested.

(7) Appeals to the board of housing, buildings and construction shall be addressed to the commissioner who shall immediately notify the board when an appeal is received. The commissioner or a designated employe of his department shall then investigate the evidence pertaining to such appeal and, based upon the results of such investigation, make recommendations to the board on the disposition of the case in question. No employe of the department shall investigate or make recommendations on an appeal to his own decision, but shall defer in such cases to employes who were not party to the decision which led to the appeal. In

conducting such investigation, the commissioner or his designated representatives, acting for the department, shall have the authority to administer oaths and affirmations, issue subpoenas authorized by law, rule upon offers of proof and receive relevant evidence, take or cause depositions to be taken, regulate the course of any hearings they may schedule, and hold conferences for the settlement or simplification of the issues by consent of the parties. The commissioner shall complete such investigations and forward written recommendations to the board within thirty (30) days after receiving an appeal.

(8) Upon receiving the written recommendations of the commissioner, the board may decide to accept such recommendations, or it may decide to convene a hearing to consider the question further. Upon receipt of the recommendations of the commissioner, the board shall render a decision on each appeal at its next regularly scheduled meeting, but no later than thirty (30) days after receipt of such recommendations.

(9) Should the board's decision be to schedule a hearing on the appeal, such hearing shall occur within thirty (30) days of such decision, and all parties to such hearing shall be immediately notified in writing of the time and place of such hearing by the commissioner.

(10) The board may appoint five (5) or more of its members, excluding the chairman of the board, to consider the recommendations of the commissioner or to conduct the hearing, and those so appointed shall act in all matters concerning the appeal for the entire board.

(11) In considering an appeal, the board, if they deem it necessary to reach an equitable decision, may exercise any of the powers granted to the commissioner in subsection (7) of this section. The board shall render a decision within ten (10) days of any appeals hearing it may conduct.

(12) The board may uphold, amend, or reverse the decision of a local appeals board, a local building official or an agent of the department; and the decision of the board shall be final, and there shall be no appeal from the board's decision, except to the circuit court within whose jurisdiction the property in question is located.

Section 37. KRS 199.670 is amended to read as follows:

(1) The department may revoke a license under KRS 199.640 for any condition which would have caused a denial of the license in the first instance. The department may refuse to issue a license in any case where the applicant is not found to possess the qualifications prescribed by the commissioner.

(2) In any case where the department proposes to revoke or to refuse to issue a license, written notice shall be given to the licensee or applicant, stating the proposed action and grounds therefor, and notifying the licensee or applicant that such license will be revoked or refused unless the applicant or licensee makes application for a hearing before the commissioner within thirty days of such notice. If application for such hearing is made, the commissioner shall set a time for the hearing, of which ten days' notice shall be given to the licensee or applicant, and at the hearing the licensee or applicant shall be entitled to be heard in person or by counsel, and to present witnesses. Following the hearing the commissioner shall render a decision in writing, setting forth his findings of fact and conclusions of law, and affirming, modifying or setting aside the findings of the department, and shall send a copy thereof to the licensee or applicant by [registered mail or by] certified mail, return receipt requested.

(3) The decision may be reviewed in the circuit court of the county in which the child-caring facility or child-placing agency is located, by action commenced within thirty days after receipt of the copy of the decision, and in such action the findings of fact made by the commissioner shall be conclusive if supported by any competent evidence.

Section 38. KRS 206.160 is amended to read as follows:

In cases where a pension has been granted, if the secretary of the executive department for finance and administration finds that the pension was wrongfully granted, or that the pensioner has moved out of the state, or has in any other way become no longer entitled thereto, he may drop the pensioner's name from the pension roll after first giving him thirty (30) days' notice by [registered mail or by] certified mail, return receipt requested, thus giving the pensioner an opportunity to be heard or present any evidence he may desire to offer as to why his name shall not be dropped from the pension roll.

Section 39. KRS 210.270 is amended to read as follows:

(1) The secretary for human resources is authorized to designate such private homes, private nursing homes and private institutions as he shall deem, after a thorough investigation of the personal and financial qualifications of the owners and tenants, the facilities and management, and the desirability of the location of such homes, to be suitable for the placement of patients, including the mentally ill and mentally handicapped and retarded of all ages, outside of the state mental hospitals. The secretary for human resources is authorized to prescribe, from time to time by regulation, standards for the selection and operation of private homes, private nursing homes and private institutions designated for the placement of patients. No home of an officer or employe of the department for human resources or of a member of his immediate family shall be designated for the placement of patients.

(2) Whenever the staff of a state mental hospital has determined that a patient who is not being held on an order rising out of a criminal offense has sufficiently improved and is not dangerous to himself or other persons, and that it would be in the patient's best interest to be placed outside of the hospital in

a private home or private nursing home, the hospital shall so certify to the secretary for human resources, who may then authorize the patient to be transferred to a designated private home or private nursing home for care and custody for such length of time as the secretary deems advisable.

(3) No mentally retarded patient lodged in a state institution may have his level of care reclassified nor may he be transferred to a private nursing home or other private institution without first providing ten (10) days notice by [registered or] certified mail return receipt requested to the patient's parents or guardian or committee that a reclassification of the patient's level of care or a transfer in the place of residence is being considered.

(4) Any parent or guardian or committee of any mentally retarded patient lodged in a state institution may participate in any evaluation procedure which may result in a reclassification of such patient's level of care or in a transfer in the place of residence of such patient. Such participation may include the submission by the parents or guardian or committee of medical evidence or any other evidence deemed relevant by the parents or guardian or committee to the possible reclassification or transfer of such patient.

(5) If the decision to reclassify or transfer any mentally retarded patient is adverse to the best interests of such patient as expressed by the parents or guardian or committee, they shall be given notice by [registered or] certified mail return receipt requested that they are entitled to a thirty (30) day period from the receipt of such notice to file with the secretary for human resources a notice of appeal and application for a hearing.

(6) The appeal shall be heard by a three (3) member panel composed of a designated representative of the department for human resources, a designated representative of the state institution where the mentally retarded patient is presently lodged, and a designated neutral representative appointed by the county judge/executive wherein the institution in question is located.

(7) Decisions made by the panel may be appealed, within thirty (30) days from the date of decision, to the circuit court of the county wherein the state institution in question is located, to the circuit court of the county wherein either of the parents or guardians or committee of the patient in question is domiciled at the time of the decision, or to Franklin Circuit Court.

(8) All parents or guardians or committee of a mentally retarded patient lodged in a state institution shall be fully apprised by the department for human resources of their rights and duties under the provisions of subsections (3), (4), (5), (6), and (7) of this section.

(9) The provisions of KRS 210.275, 203.080, 210.310, and 210.320 shall apply to patients transferred to designated private homes and private nursing homes as though such patients were residing in a state mental hospital.

Section 40. KRS 210.640 is amended to read as follows:

(1) No DATE Center permit shall be denied, revoked, or suspended except after notice in writing to the applicant or permit holder setting forth the particular reasons for the proposed action, and after provision for a fair hearing, if demanded by the permit holder or applicant. Such notice shall be effected by [registered or] certified mail with return receipt requested, or by personal service. The permit holder or applicant, within ten (10) days after receipt of said notice, may request in writing a hearing, delivering the request to the Department in person or by due course of mail. If no such request is made within the time fixed, the Department shall proceed to deny, revoke, or suspend said permit as set out in the notice of the proposed action.

(2) All hearings under this section shall be held by the Department or any agent designated by it at a location designated by the Department. A transcript of the proceedings shall be reviewed by the Department, which shall enter its decision thereon.

(3) The procedure governing hearings authorized by this section shall be in accordance with rules promulgated by the Department. The Department or any agent designated by it may take testimony concerning any matter within its jurisdiction and may administer oaths for that purpose. The Department or its agent shall have the power to issue summons and subpoenas for any witness and subpoenas duces tecum, which shall be served and returned as provided by law. At the hearing, the applicant or permit holder shall have the right to cross-examine witnesses against him, to produce witnesses in his defense, and to appear personally or by counsel.

(4) On the basis of any such hearing, or upon the failure of the applicant or permit holder to request a hearing, the Department shall make a determination specifying its findings of fact and conclusions of law. A copy of such determination shall be sent by [registered or] certified mail or personally served upon the applicant or permit holder. The determination shall become final unless the applicant or permit holder appeals to the circuit court of Franklin County within thirty (30) days of the Department's determination and in the manner provided in the Rules of Civil Procedure.

(5) A full and complete record shall be kept of all proceedings, and all testimony shall be reported but need not be transcribed unless the decision is appealed. Copies of the transcription may be obtained by any interested party on payment of the cost of preparing such copies.

Section 41. KRS 211.220 is amended to read as follows:

For the purposes of enforcing the public health laws of the Commonwealth, investigators, inspectors, officers, representatives and agents of the department may enter upon any premises when necessary for the purpose of making inspections and investigations, and may view evidence and interrogate persons, to the extent required in the performance of their duties and responsibilities. The Secretary for Human Resources may issue subpoenas, subpoenas duces tecum and all necessary process in proceedings brought before or initiated by the department, and such process shall extend to all parts of the Commonwealth. Service of process may be made by [registered mail, by] certified mail, return receipt requested or in the manner prescribed by the Rules of Civil Procedure. Nothing in this section shall be construed to authorize the department to regulate the practice of any healing art where the licensure regulation and control of same has been conferred by statute upon some other agency of the state.

Section 42. KRS 212.245 is amended to read as follows:

County, city-county, and district health departments may:

(1) Utilize available services, facilities, equipment and personnel of the department for human resources or of the United States public health service upon such terms of payment or reimbursement as are agreed on by the department and the department for human resources or the United States public health service:

(2) Contract for services not otherwise available;

(3) Provide for the public health training and instruction of employes and compensate and defray the reasonable expenses of said employes while they are pursuing public health training courses approved by the department for human resources;

(4) Establish or contribute to a retirement system or fund for employes of the department, including any retirement system for state employes;

(5) Issue and require the heads of families and other persons to execute such orders as it considers expedient to prevent the outbreak and spread of communicable diseases, and to this end bring the infected population under prompt and proper treatment;

(6) Issue written orders directed to the owner or occupant of any property, or to any person, firm or corporation whatever, commanding, within the time and manner specified in the order, compliance with applicable public health laws of this state and all regulations of the department for human resources or the county board of health. Notwithstanding the provisions of this section and KRS 212.210, any health officer may institute and maintain mandatory or prohibitory injunction proceedings in the appropriate circuit courts of this state to abate nuisances that are or may be a menace to the health of the people of the state or community, and to compel compliance with the public health laws of this state and the rules and regulations of the department for human resources and the county board of health and the orders described in this section or in KRS 212.210;

(7) Through its health officers, representatives and agents, enter upon any premises when necessary for the purpose of making inspections and investigations and view evidence and interrogate persons to the extent required in the performance of their duties and responsibilities. The department or the health officer thereof may issue subpoenas, subpoena duces tecum and all necessary process in proceedings brought before or initiated by the department or board, and such process shall extend to all parts of the Commonwealth. Service of process may be made by [registered mail, by] certified mail, return receipt requested or in the manner prescribed by the Rules of Civil Procedure;

(8) Provide administrative, investigative and clerical services required by the local board of health;

(9) Cooperate with other health departments, agencies and organizations in matters relating to public health;

(10) Elect coverage under the state's workmen's compensation laws with the approval of the department for human resources;

(11) Except as otherwise provided by law, do all other things reasonably necessary to protect and improve the health of the people.

Section 43. KRS 217.380 is amended to read as follows:

(1) The officials in charge of the enforcement of the pure food laws of this state, the department for human resources, the local health officers, and the duly appointed agents of all such, shall enforce the provisions of KRS 217.280 to 217.390. For this purpose such officers shall have full power at all times to enter every building, room, inclosure or premises occupied or used or suspected of being occupied or used for the preparation or manufacture for sale, or the storage, sale, distribution or transportation, of such food, and to inspect the premises and all utensils, fixtures, furniture and machinery used therein.

(2) If upon inspection there is found any violation of any of the provisions of KRS 217.280 to 217.390, or if the preparation, manufacture, packing, storage, sale, distribution or transportation of such food is being conducted in a manner detrimental to the health of the employes or to the character or quality of the food, the officer or inspector making the inspection shall report the conditions and violations to the chief pure food official, or to the department for human resources, or to the chief local health officer, as the case may be.

(3) The officer to whom the report is made shall thereupon issue a written order to the person responsible for the violation or condition to abate the condition or violation or to make the changes or improvements

necessary to abate them, within a reasonable time as fixed in the order. Notice of the order may be served by delivering a copy to the person, or by sending a copy by certified mail, return receipt requested [or by registered mail] in which case the post office receipt shall be prima facie evidence that the notice was received. The person shall have the right to appear in person or by attorney before the officer issuing the notice or the person appointed by him for that purpose, within the time limited in the order, and shall be given an opportunity to be heard and to show why the order or instructions should not be obeyed. The hearing shall be under rules and regulations prescribed by the department for human resources. If after the hearing it appears that the provisions of KRS 217.280 to 217.390 have not been violated, the order shall be rescinded. If it appears that the provisions of KRS 217.280 to 217.390 are being violated, and that the person notified is responsible therefor, the previous order shall be confirmed or amended, as the facts warrant, and shall thereupon be final, but such additional time as is necessary may be granted within which to comply with the final order. If the person is not present or represented when the final order is made, notice thereof shall be given as above provided. If the person fails to comply with the first order within the time prescribed, when no hearing is demanded, or fails to comply with the final order within the time specified, the facts shall be certified to the Commonwealth's, county or city attorney in whose jurisdiction the violation occurred, and such attorney shall proceed against the person for the applicable fines and penalties, and for abatement of the nuisance. The proceedings prescribed in this section for abatement of the nuisance shall not relieve the violator from prosecution in the first instance for every violation, nor from the penalties prescribed for such violation.

Section 44. KRS 221.100 is amended to read as follows:

The owner of any frozen food locker plant shall have a lien on the contents of each locker, compartment or space for the payment of the locker rental thereon and any processing or other charges. Such lien may be foreclosed by giving a written notice by certified mail, return receipt requested [or by registered mail] to the renter of such locker, compartment or space, and, after ten (10) days from date of the notice, the owner may proceed to sell the contents of the locker, at either public or private sale, for the reasonable value of its contents. If the proceeds from the sale exceed the amount of the lien, the balance shall be duly paid to the renter. The place, time and kind of sale shall conform to the written notice to the renter.

Section 45. KRS 247.493 is amended to read as follows:

In the event a majority of the producers eligible for participation in such referendum and voting therein shall vote in favor of such assessment, then, upon the written request of the duly certified commission, council, board, association or other agency of producers of such agricultural commodity, the commissioner shall notify forthwith, by [registered or] certified mail, all persons engaged in the business of purchasing such agricultural commodities in this state, that on and after the date specified in such letter, the specified assessment shall be deducted from the producer's payment by the purchaser, or his agent or representative, from the purchase price of such agricultural commodity. The assessment so deducted shall, on or before the fifteenth day of the month following the end of the month in which such commodity is sold to the purchaser, be remitted by such purchaser to the duly certified commission, council, board, association or other agency of the producers entitled thereto. Such funds, including donations from individuals, concerns, corporations and grants from the state or governmental agencies, shall be used for the purpose of promoting and stimulating, by advertising, research and other methods, the increased use and sale, domestic and foreign, of such agricultural commodity. The books and records of all such purchasers of such agricultural commodity shall at all times during regular business hours be open for inspection by the commissioner of agriculture or his duly authorized agents.

Section 46. KRS 247.500 is amended to read as follows:

(1) The board shall review the assessment program annually. If, at the end of each year after the first year of the assessment program, the board determines that the producers in the referendum area representing fifty per cent (50%) of the production of milk are not participating in the program, the commissioner shall then conduct a referendum among the producers in such area. If, upon such referendum, a majority of the producers in such area, reject such program, it shall be terminated as at the end of the month in which such referendum for such area was conducted and held; otherwise such assessment program shall continue in force and effect.

(2) If the certified commission, council, board, association, or other agency of producers expresses in writing its desire to the commissioner to discontinue the assessment program and terminate the same, the commissioner shall within fifteen (15) days following receipt of such request convene the board to review and act on such request. The board, after reviewing such request and conducting whatever proceedings are deemed appropriate and necessary in connection with such request, may terminate such program effective at the end of the month in which such board action is taken; and in this event the commissioner shall notify, by [registered or] certified mail, the purchasers of such agricultural commodity of the termination of such program.

Section 47. KRS 247.570 is amended to read as follows:

In the event a majority of the eligible producers in such referendum who vote therein shall vote in favor of the assessment, then the commissioner shall notify forthwith, by [registered or] certified mail, all persons engaged in the business of purchasing soybeans in this state, that on and after the date specified in such letter, the specified assessment shall be deducted from the producer's payment by the purchaser, or his agent or representative, from the purchase price of such soybeans. The assessment so deducted shall, on or before the fifteenth day of the month following the end of the month in which such soybeans are sold to the purchaser, be remitted by such purchaser to the duly certified association which conducted the referendum. The books and records of all such purchasers of soybeans shall at all times be open for inspection by the commissioner of agriculture or his duly authorized agents during regular business hours.

Section 48. KRS 247.590 is amended to read as follows:

(1) The board shall review the assessment program annually. If, at the end of each year after the first year of the assessment program, the board determines that the producers in the referendum area representing fifty percent (50%) of the production of soybeans have indicated their dissatisfaction with the program by demanding a refund of the assessment collected from them, the commissioner shall then conduct a referendum among the producers in such area. If, upon such referendum, a majority of the producers in the area reject such program, it shall be terminated at the end of the marketing year in which the referendum for the area was conducted; otherwise, such assessment program shall continue in force and effect.

(2) If the duly certified association of soybean producers expresses in writing its desire to the commissioner to discontinue the assessment program and terminate the same, the commissioner shall within fifteen (15) days following receipt of such request convene the board to review and act on such request. The board, after reviewing such request and conducting whatever proceedings are deemed appropriate and necessary in connection with such request, may terminate the program effective at the end of the marketing year in which the board action is taken; and, in this event, the commissioner shall notify, by [registered or] certified mail, the purchasers of soybeans affected thereby of the termination of such program.

Section 49. KRS 247.670 is amended to read as follows:

(1) In the event a majority of the eligible producers in such referendum who vote therein shall vote in favor of the assessment, then the commissioner shall notify forthwith, by [registered or] certified mail, every person licensed to operate a livestock market in the state, as well as every person who operates a meat packing or slaughter establishment which buys bovine animals directly from the producer, that on and after the date designated in the notice, which shall be not less than thirty (30) days nor more than sixty (60) days after the mailing of the notice by the commissioner, the amount of the assessment shall be deducted by all such sales markets or purchasers of bovine animals, or by their agents or representatives, from the purchase price paid the seller of bovine animals.

(2) On or before the fifteenth (15th) day of each month all assessments deducted shall be remitted to the association certified by the assessment referendum, less three percent (3%) which may be retained to compensate the stockyard operator, meat packer, or slaughter establishment operator for the expense of collecting and remitting the assessment.

(3) The books and records of all stockyard operators, meat packers and slaughter establishment operators shall at all times during regular business hours be open for inspection by the commissioner or his duly authorized agents for the purpose of ascertaining the accuracy of the amounts remitted.

Section 50. KRS 247.680 is amended to read as follows:

(1) The board shall review the assessment program annually. If, at the end of each year after the first year of the assessment program, the board determines that fifty percent (50%) of the producers in the referendum area are not participating in the program, the commissioner shall then conduct a referendum among the producers in such area. If, upon such referendum, a majority of the producers in the area reject the program, it shall be terminated as of the end of the month in which the referendum for the area was conducted and held; otherwise, such assessment program shall continue in force and effect.

(2) If the certified association of producers expresses in writing its desire to the commissioner to discontinue the assessment program and terminate the same, the commissioner shall within fifteen (15) days following receipt of the request convene the board to review and act on the request. The board, after reviewing such request and conducting whatever proceedings are deemed appropriate and necessary in connection with the request, may terminate the program effective at the end of the month in which the board action is taken; and in this event the commissioner shall notify, by [registered or] certified mail, all operators of a livestock market, meat packing establishment or slaughter establishment of the termination of the program.

(3) If the certified association requests in writing to the commissioner to hold a referendum on the question of increasing the assessment within the limits of KRS 247.610 to 247.685, the commissioner shall within fifteen (15) days of the receipt of the request convene the board to review and act on the request. The board, after reviewing the request and conducting whatever proceedings are deemed appropriate and necessary with the request, shall, if the request is approved, conduct a referendum in accordance with the provisions of KRS 247.610 to 247.685.

Section 51. KRS 247.770 is amended to read as follows:

(1) In the event a majority of the eligible producers in the referendum who vote therein shall vote in favor of the assessment, then the commissioner shall notify forthwith, by [registered or] certified mail,

every person licensed to operate a tobacco warehouse in the state, as well as every person who operates a tobacco manufacturing establishment and every tobacco dealer who buys burley tobacco directly from the producer, that on and after the date designated in the notice, which shall be not less than thirty (30) days nor more than sixty (60) days after the mailing of the notice by the commissioner, the amount of the assessment shall be deducted by all sales markets or purchasers of burley tobacco or by their agents or representatives, from the purchase price paid the seller of burley tobacco.

(2) On or before the fifteenth (15th) day of each month all assessments deducted shall be remitted to the association certified by the assessment referendum.

(3) The books and records of all tobacco warehouses, tobacco manufacturers and tobacco dealer operators shall at reasonable times be open for inspection by the commissioner or his duly authorized agents for the purpose of ascertaining the accuracy of the amounts remitted.

Section 52. KRS 247.780 is amended to read as follows:

(1) The board shall review the assessment program annually. If, at the end of any year after the first year of the assessment program, the board has reason to believe that a majority of producers are not in favor of the program, the commissioner may conduct a referendum among the producers in the area or if the board determines that fifty percent (50%) of the producers in the referendum area are not participating in the program, the commissioner shall then conduct a referendum among the producers in the area. If, upon the referendum, a majority of the producers in the area reject the program, it shall be terminated as at the end of the month in which the referendum for the area was conducted and held; otherwise, such assessment program shall continue in force and effect.

(2) If the certified association of producers expresses in writing its desire to the commissioner to discontinue the assessment program and terminate it, the commissioner shall within fifteen (15) days following receipt of the request convene the board to review and act on the request. The board, after reviewing the request and conducting whatever proceedings are deemed appropriate and necessary in connection with the request, may terminate the program effective at the end of the month in which the board action is taken; and in this event the commissioner shall notify, by [registered or] certified mail all operators of tobacco warehouses, tobacco manufacturers, or tobacco dealers of the termination of the program.

(3) If the certified association requests in writing to the commissioner to hold a referendum on the question of increasing the assessment within the limits of KRS 247.710 to 247.785, the commissioner shall within fifteen (15) days of the receipt of the request convene the board to review and act on the request. The board, after reviewing the request and conducting whatever proceedings are deemed appropriate and necessary with the request, shall, if the request is approved, conduct a referendum in accordance with the provisions of KRS 247.710 to 247.785.

Section 53. KRS 250.488 is amended to read as follows:

In addition to the penalties provided in KRS 250.991, any person, firm or corporation who shall violate or remain in violation of any of the provisions of KRS 250.482 to 250.488 or of any rule or regulation promulgated thereon may be directed and ordered by notice in writing setting forth the facts relating to such violation to correct same. Such notice shall be served personally upon said person or mailed by certified mail, return receipt requested [or by registered mail] to the principal office of said person, firm or corporation, or if an individual or individuals, to his or their residence. If such order is not complied with and such violation not corrected within twenty (20) days of service of such order, the division may file in the circuit court of the county of residence if a person, or place of business if a corporation where such violation occurs, a complaint setting up the facts and praying an injunction. The court upon hearing shall determine the case, and issue proper orders. All orders of the division, issued after a hearing, shall be prima facie evidence of the truth of the matters involved, and may be appealed to circuit court as in other cases.

Section 54. KRS 250.710 is amended to read as follows:

The commissioner shall notify any applicant or owner by certified mail, return receipt requested [or by registered mail] of any decision to refuse to grant a registration or to revoke a registration within ten (10) days after such decision, and the applicant or owner shall have thirty (30) days after the notification within which to petition the commissioner for a rehearing. The commissioner shall within ten (10) days after the rehearing notify the applicant or owner of his decision, and if the decision be unfavorable, the applicant or owner shall have thirty (30) days within which to appeal the decision to the Franklin Circuit Court. If the owner takes an appeal within the time herein provided, the revocation by the commissioner shall not become final until finally adjudicated, however the commissioner may require the posting of a reasonable and appropriate bond pending final adjudication.

Section 55. KRS 251.510 is amended to read as follows:

The board shall, after denying an application for a license, if petitioned by the applicant within fifteen (15) days of notification, or before suspending or revoking any license, set the matter down for a hearing, and shall, at least fifteen (15) days prior to the date set for the hearing, notify the applicant or licensee in writing. The notice shall contain an exact statement of the charges made and the date and place of the hearing. Such written notice may be secured by personal delivery to the applicant or licensee or by mailing it by certified mail, return receipt requested [or by registered mail] to his last known address. The hearing shall be at the time and place prescribed by the board.

Section 56. KRS 257.100 is amended to read as follows:

(1) Any peace officer or any officer of the accredited humane society or society for the prevention of cruelty to animals may destroy or kill or cause to be destroyed or killed, any animal found abandoned and suffering and not properly cared for, or appearing to be injured, diseased or suffering past recovery for any useful purpose.

(2) Before destroying the animal the officer shall obtain the judgment to that effect of a veterinarian, or of two (2) reputable citizens called by him to view the animal in his presence, or shall obtain consent to the destruction from the owner of the animal.

(3) (a) Any animal placed in the custody of a licensed veterinarian for treatment, boarding or other care, which shall be unclaimed by its owner or his agent for a period of more than ten (10) days after written notice by [registered or] certified mail, return receipt requested, is given the owner or his agent at his last known address, shall be deemed to be abandoned and may be turned over to the nearest humane society, dog pound or animal shelter or disposed of as such custodian may deem proper.

(b) The giving of notice to the owner, or the agent of the owner of such animal by the licensed veterinarian, as provided herein shall relieve the licensed veterinarian and any custodian to whom such animal may be given of any further liability for disposal.

(4) For the purpose of this section, the term "abandon" shall mean to forsake entirely, or to neglect or refuse to provide or perform the legal obligations for care and support of an animal by its owner, or his agent. Such abandonment shall constitute the relinquishment of all rights and claims by the owner to such animal.

Section 57. KRS 260.740 is amended to read as follows:

Before refusing to grant or to reissue, or before suspending or revoking a license, the commission shall give such licensee an opportunity to be heard and shall give notice to such licensee by [registered mail or by] certified mail, return receipt requested at least five (5) days prior to the hearing containing a statement of the matters complained of. After such hearing and after reaching a decision, the commission shall notify the licensee by [registered mail or by] certified mail, return receipt requested within ten (10) days.

Section 58. KRS 271A.070 is amended to read as follows:

(1) The registered agent so appointed by a corporation shall be an agent of such corporation upon whom any process, notice or demand required or permitted by law to be served upon the corporation may be served.

(2) Whenever a corporation shall fail to appoint or maintain a registered agent in this state, or whenever its registered agent cannot with reasonable diligence be found at the registered office, then the secretary of state shall be an agent of such corporation upon whom any such process, notice, or demand may be served. Service on the secretary of state of any such process, notice, or demand shall be made by delivering to and leaving with him, or with any clerk having charge of the corporation department of his office, duplicate copies of such process, notice or demand. In the event any such process, notice, or demand is served on the secretary of state, he shall immediately cause one of the copies thereof to be forwarded by certified mail, return receipt requested [or by registered mail,] addressed to the corporation at its registered office. Service on the corporation shall be deemed to have been made on the tenth day after the day when the process, notice or demand is served on the secretary of state in accordance with this section.

(3) The secretary of state shall keep a record of all processes, notices and demands served upon him under this section, and shall record therein the time of such service and his action with reference thereto.

(4) Nothing herein contained shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served upon a corporation in any other manner now or hereafter permitted by law.

Section 59. KRS 271A.240 is amended to read as follows:

(1) In addition to any other liabilities imposed by law upon directors of a corporation:

(a) Directors of a corporation who vote for or assent to the declaration of any dividend or other distribution of the assets of a corporation to its shareholders contrary to the provisions of this chapter or contrary to any restrictions contained in the articles of incorporation, shall be jointly and severally liable to the corporation for the amount of such dividend which is paid or the value of such assets which are distributed in excess of the amount of such dividend or distribution which could have been paid or distributed without a violation of the provisions of this chapter or the restrictions in the articles of incorporation;

(b) Directors of a corporation who vote for, or assent to, the purchase of its own shares contrary to the provisions of this chapter shall be jointly and severally liable to the corporation for the amount of consideration paid for such shares which is in excess of the maximum amount which could have been paid therefor without a violation of the provisions of this chapter;

(c) The directors of a corporation who vote for or assent to any distribution of assets of a corporation to its shareholders during the liquidation of the corporation without the payment and discharge of, or making adequate provision for, all known debts, obligations, and liabilities of the corporation shall be jointly and severally liable to the corporation for the value of such assets which are distributed, to the extent that such debts, obligations and liabilities of the corporation are not thereafter paid and discharged.

(2) A director of a corporation who is present at a meeting of its board of directors at which action described in this section is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified mail, return receipt requested [or by registered mail] to the secretary of the corporation within sixty days after the adjournment of the meeting but in no event later than three days after he has learned of such action. Such right to dissent shall not apply to a director who voted in favor of such action.

(3) A director shall not be liable under paragraph (a), (b) or (c) of subsection (1) of this section if he relied and acted in good faith upon financial statements of the corporation represented to him to be correct by the president or the officer of such corporation having charge of its books of account, or stated in a written report by any independent public or certified public accountant or firm of such accountants fairly to reflect the financial condition of such corporation, nor shall he be so liable if in good faith in determining the amount available for any such dividend or distribution he considered the assets to be of their book value.

(4) Any director against whom a claim shall be asserted under or pursuant to this section for the payment of a dividend or other distribution of assets of a corporation and who shall be held liable thereon, shall be entitled to contribution from the shareholders who accepted or received any such dividend or assets, knowing such dividend or distribution to have been made in violation of this chapter, in proportion to the amounts received by them.

(5) Any director against whom a claim shall be asserted under or pursuant to this section shall be entitled to contribution from the other directors who voted for or assented to the action upon which the claim is asserted.

Section 60. KRS 271A.405 is amended to read as follows:

(1) Any shareholder electing to exercise such right of dissent shall file with the corporation, prior to or at the meeting of shareholders at which such proposed corporate action is submitted to a vote, a written objection to such proposed corporate action. If such proposed corporate action be approved by the required vote and such shareholder shall not have voted in favor thereof, such shareholder may, within ten (10) days after the date on which the vote was taken or if a corporation is to be merged without a vote of its shareholders into another corporation, any of its shareholders may, within fifteen (15) days after the plan of such merger shall have been mailed to such shareholders, make written demand on the corporation, or, in the case of a merger or consolidation, on the surviving or new corporation, domestic or foreign, for payment of the fair value of such shareholder's shares, and, if such proposed corporate action is effected, such corporation shall pay to such shareholder, upon surrender of the certificate or certificates representing such shares, the fair value thereof as of the day prior to the date on which the vote was taken approving the proposed corporate action, excluding any appreciation or depreciation in anticipation of such corporate action. Any shareholder failing to make demand within the ten-day period shall be bound by the terms of the proposed corporate action. Any shareholder making such demand shall thereafter be entitled only to payment as in this section provided and shall not be entitled to vote or to exercise any other rights of a shareholder.

(2) No such demand may be withdrawn unless the corporation shall consent thereto. If, however, such demand shall be withdrawn upon consent, or if the proposed corporate action shall be abandoned or rescinded or the shareholders shall revoke the authority to effect such action, or if, in the case of a merger, on the date of the filing of the articles of merger the surviving corporation is the owner of all the outstanding shares of the other corporations, domestic and foreign, that are parties to the merger, or if no demand or petition for the determination of fair value by a court shall have been made or filed within the time provided in this section, or if a circuit court shall determine that such shareholder is not entitled to the relief provided by this section, then the right of such shareholder to be paid the fair value of his shares shall cease and his status as a shareholder shall be restored, without prejudice to any corporate proceedings which may have been taken in the interim.

(3) Within ten (10) days after such corporate action is effected, the corporation, or, in the case of a merger or consolidation, the surviving or new corporation, domestic or foreign, shall give written notice thereof to each dissenting shareholder who has made demand as herein provided, and shall make a written offer to each such shareholder to pay for such shares at a specified price deemed by such corporation to be the fair value thereof. Such notice and offer shall be accompanied by a balance sheet of the corporation the shares of which the dissenting shareholder holds, as of the latest available date and not more than twelve (12) months prior to the making of such offer, and a profit and loss statement of such corporation for the twelve (12) months period ended on the date of such balance sheet.

(4) If within thirty (30) days after the date on which such corporate action was effected the fair value of such shares is agreed upon between any such dissenting shareholder and the corporation, payment therefor shall be made within ninety (90) days after the date on which such corporate action was effected,

upon surrender of the certificate or certificates representing such shares. Upon payment of the agreed value the dissenting shareholder shall cease to have any interest in such shares.

(5) If within such period of thirty (30) days a dissenting shareholder and the corporation do not so agree, then the corporation, within thirty (30) days after receipt of written demand from any dissenting shareholder given within sixty (60) days after the date on which such corporate action was effected, shall, or at its election at any time within such period of sixty (60) days may, file a petition in the circuit court in the county in this state where the registered office of the corporation is located requesting that the fair value of such shares be found and determined. If, in the case of a merger or consolidation, the surviving or new corporation is a foreign corporation without a registered office in this state, such petition shall be filed in the county where the registered office of the domestic corporation was last located. If the corporation shall fail to institute the proceeding as herein provided, any dissenting shareholder may do so in the name of the corporation. All dissenting shareholders, wherever residing, shall be made parties to the proceeding as an action against their shares quasi in rem. The corporation shall either (a) cause a copy of the petition to be served on each dissenting shareholder, or (b) mail a copy of the petition to each dissenting shareholder by [registered or] certified mail addressed to each shareholder at his last address as it appears on the stock transfer books of the corporation, with postage thereon prepaid. In addition, each dissenting shareholder shall be served in accordance with law. The jurisdiction of the court shall be plenary and exclusive. All shareholders who are parties to the proceeding shall be entitled to judgment against the corporation for the amount of the fair value of their shares.

(6) From any final judgment, rendered by a circuit court in any such action, an appeal may be taken to and heard by the Court of Appeals, in the manner provided in the Rules of Civil Procedure.

(7) The circuit court may, if it so elects, appoint one or more persons as appraisers to receive evidence and recommend a decision on the question of fair value. The appraisers shall have such power and authority as shall be specified in the order of their appointment or an amendment thereof. The judgment shall be payable only upon and concurrently with the surrender to the corporation of the certificate or certificates representing such shares. Upon payment of the judgment, the dissenting shareholder shall cease to have any interest in such shares.

(8) The judgment shall include an allowance for interest at such rate as the court may find to be fair and equitable in all the circumstances, from the date on which the vote was taken on the proposed corporate action to the date of payment.

(9) The costs and expenses of any such proceeding shall be determined by the court and shall be assessed against the corporation, but all or any part of such costs and expenses may be apportioned and assessed as the court may deem equitable against any or all of the dissenting shareholders who are parties to the proceeding to whom the corporation shall have made an offer to pay for the shares if the court shall find that the action of such shareholders in failing to accept such offer was arbitrary or vexatious or not in good faith. Such expenses shall include reasonable compensation for and reasonable expenses of the appraisers, but shall exclude the fees and expenses of counsel for and experts employed by any party; but if the fair value of the shares as determined materially exceeds the amount which the corporation offered to pay therefor, or if no offer was made, the court in its discretion may award to any shareholder who is a party to the proceeding such sum as the court may determine to be reasonable compensation to any expert or experts employed by the shareholder in the proceeding.

(10) Within twenty (20) days after demanding payment for his shares, each shareholder demanding payment shall submit the certificate or certificates representing his shares to the corporation for notation thereon that such demand has been made. His failure to do so shall, at the option of the corporation, terminate his rights under this section unless a circuit court for good and sufficient cause shown shall otherwise direct. If shares represented by a certificate on which notation has been so made shall be transferred, each new certificate issued therefor shall bear similar notation, together with the name of the original dissenting holder of such shares, and a transferee of such shares shall acquire by such transfer no rights in the corporation other than those which the original dissenting shareholder had after making demand for payment of the fair value thereof.

(11) Shares acquired by a corporation pursuant to payment of the agreed value therefor or to payment of the judgment entered therefor, as in this section provided, may be held and disposed of by such corporation as in the case of other treasury shares, except that, in the case of a merger or consolidation, they may be held and disposed of as the plan of merger or consolidation may otherwise provide.

Section 61. KRS 271A.565 is amended to read as follows:

(1) The registered agent so appointed by a foreign corporation authorized to transact business in this state shall be an agent of such corporation upon whom any process, notice or demand required or permitted by law to be served upon the corporation may be served.

(2) Whenever a foreign corporation authorized to transact business in this state shall fail to appoint or maintain a registered agent in this state, or whenever any such registered agent cannot with reasonable diligence be found at the registered office, or whenever the certificate of authority of a foreign corporation

shall be suspended or revoked, then the secretary of state shall be an agent of such corporation upon whom any such process, notice, or demand may be served. Service on the secretary of state of any such process, notice or demand shall be made by delivering to and leaving with him, or with any clerk having charge of the corporation department of his office, duplicate copies of such process, notice or demand. In the event any such process, notice or demand is served on the secretary of state, he shall immediately cause one of such copies thereof to be forwarded by [registered mail, or] certified mail pursuant to *this Act* [KRS 12.141], addressed to the corporation at its principal office in the state or country under the laws of which it is incorporated. Service on the corporation shall be deemed to have been made on the tenth day after the day when the process, notice or demand is served on the secretary of state in accordance with this section.

(3) The secretary of state shall keep a record of all processes, notices and demands served upon him under this section, and shall record therein the time of such service and his action with reference thereto.

(4) Nothing herein contained shall limit or affect the right to serve any process, notice or demand, required or permitted by law to be served upon a foreign corporation in any other manner now or hereafter permitted by law.

Section 62. KRS 271A.585 is amended to read as follows:

(1) A foreign corporation authorized to transact business in this state may withdraw from this state upon procuring from the secretary of state a certificate of withdrawal. In order to procure such certificate of withdrawal, such foreign corporation shall deliver to the secretary of state an application for withdrawal, which shall set forth:

(a) The name of the corporation and the state or country under the laws of which it is incorporated;

(b) That the corporation is not transacting business in this state;

(c) That the corporation surrenders its authority to transact business in this state;

(d) That the corporation revokes the authority of its registered agent in this state to accept service of process and consents that service of process in any action, suit or proceeding based upon any cause of action arising in this state during the time the corporation was authorized to transact business in this state may thereafter be made on such corporation by service thereof on the secretary of state; and

(e) A post-office address to which the secretary of state may mail a copy of any process against the corporation that may be served on him.

(2) If any process is served on the secretary of state pursuant to paragraph (e) of this section, the secretary of state shall immediately cause a copy thereof to be forwarded by certified mail, return receipt requested [or by registered mail] to the corporation at the post office address designated by the corporation pursuant to paragraph (e) of this section. Service on the corporation shall be deemed to have been made on the tenth day after the day when the process is served on the secretary of state in accordance with this section.

(3) The application for withdrawal shall be executed by the corporation by its president or a vice president and by its secretary or an assistant secretary, and verified by one of the officers signing the application, or, if the corporation is in the hands of a receiver or trustee, shall be executed on behalf of the corporation by such receiver or trustee and verified by him.

Section 63. KRS 273.183 is amended to read as follows:

(1) The registered agent so appointed by a corporation shall be agent of such corporation upon whom any process, notice or demand required or permitted by law to be served upon the corporation may be served.

(2) Whenever a corporation shall fail to appoint or maintain a registered agent in this state, or whenever its registered agent cannot with reasonable diligence be found, then the secretary of state shall be an agent of such corporation upon whom any such process, notice, or demand may be served. Service on the secretary of state of any such process, notice, or demand shall be made by delivering to and leaving with him, or with any clerk having charge of the corporation department of his office, duplicate copies of such process, notice, or demand. In the event any such process, notice or demand is served on the secretary of state, he shall immediately cause one (1) of the copies thereof to be forwarded by certified mail, return receipt requested [or by registered mail,] addressed to the corporation at its registered office. Any service so had on the secretary of state shall be returnable in not less than thirty (30) days.

(3) The secretary of state shall keep a record of all processes, notices and demands served upon him under this section, and shall record therein the time of such service and his action with reference thereto.

(4) Nothing herein contained shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served upon a corporation in any other manner now or hereafter permitted by law.

Section 64. KRS 273.327 is amended to read as follows:

(1) Every action for the involuntary dissolution of a corporation shall be commenced by the attorney general in the circuit court of the county in which the registered office of the corporation is situated.

(2) Summons shall issue and be served as in other civil action. If process is returned not found, the attorney general shall have the defendant constructively served as provided in CR 4.05, and shall cause publication to be made in some newspaper published in the county where the registered office of the corporation

is situated, containing a notice of the pendency of such action, the title of the court, the title of the action, and the date on or after which default may be entered. The attorney general shall cause a copy of such notice to be mailed, by [registered mail or] certified mail, return receipt requested to the corporation at its registered office within ten (10) days after the first publication thereof. The certificate of the attorney general of the mailing of such notice shall be prima facie evidence thereof. Such notice shall be published at least once each week for two (2) successive weeks, and the first publication thereof may begin at any time after the summons has been returned.

Section 65. KRS 278.320 is amended to read as follows:

Each commission and each of the commissioners may issue subpoenas, subpoenas duces tecum, and all necessary process in proceedings brought before or initiated by the commission, and such process shall extend to all parts of the state. Service of process in all proceedings brought before or initiated by the commission may be made by certified mail, return receipt requested [or by registered mail], or in the same manner as other process in civil cases, as the commission directs.

Section 66. KRS 279.570 is amended to read as follows;

Any foreign nonprofit or cooperative corporation furnishing or authorized to furnish telephone service and owning or operating telephone lines or facilities in an adjacent state may construct or acquire extensions of such lines in this state and operate such extensions without complying with any statute of this state pertaining to the qualifications of foreign corporations for the doing of business in this state. Any such corporation shall, before constructing or operating such extensions, by an instrument executed and acknowledged on its behalf by its president or vice president, under its seal attested by its secretary, and filed with the secretary of state, designate the secretary of state its agent to accept service of process on its behalf. Thereafter, with respect to its operations in this state, such corporation shall have only the rights, powers, privileges and immunities of, and shall be subject to all of the laws of this state relating to the jurisdiction and supervision of the utility regulatory commission in the same manner and to the same extent as, a cooperative organized under KRS 279.310 to 279.600. In the event any process shall be served upon the secretary of state, he shall forthwith forward the same by certified mail, return receipt requested [or by registered mail] to such corporation at the address thereof specified in the aforesaid instrument.

Section 67. KRS 289.700 is amended to read as follows:

(1) The commissioner shall have general supervision over all associations and corporations which are subject to the provisions of this chapter. He shall enforce the purposes of this chapter by use of the powers herein conferred and by reference to the courts when required.

(2) Every approval by the commissioner given pursuant to the provisions of this chapter and every communication having the effect of an order or instruction to any association shall be in writing signed by the commissioner under seal, and shall be sent by certified mail, return receipt requested [or by registered mail] to the association affected, addressed to the president at the home office of the association.

Section 68. KRS 291.560 is amended to read as follows:

(1) The commissioner or his authorized agent shall conduct the hearing required by KRS 291.550.

(2) The commissioner may issue subpoenas to compel the attendance of witnesses and the production of documents, and may administer oaths, take testimony, hear proof and receive exhibits in evidence. In case of disobedience to a subpoena, the commissioner may invoke the aid of the Franklin Circuit Court.

(3) At any hearing the accused may appear in person or by counsel, produce evidence and witnesses on his own behalf, cross-examine witnesses and examine such evidence and documents as may be produced against him. The accused is entitled, on application to the commissioner, to the issuance of subpoenas to compel the attendance of witnesses on his behalf. The commissioner may also be represented by counsel.

(4) A stenographic record of the proceedings shall be kept, but it is not necessary to transcribe shorthand notes unless an appeal is taken from the order.

(5) The order of the commissioner shall be in writing and shall be accompanied by findings of fact and conclusions of law.

(6) A copy of an order suspending or revoking a certificate shall be served upon the certificate holder by certified mail, return receipt requested [or by registered mail] immediately upon entry by the commissioner.

Section 69. KRS 304.8-120 is amended to read as follows:

(1) All assets deposited shall be valued by the commissioner when deposited, such valuation to be determined in accordance with the applicable provisions of this code.

(2) If at any time the commissioner finds that the value of assets on deposit by an insurer is less than the amount required for the purposes for which the deposit was made, he shall by [registered mail or by] certified mail, return receipt requested, addressed to the insurer at its home office, notify the insurer of such deficiency and require that the deficiency be cured within thirty (30) days from the date of such mailing. The commissioner may suspend or revoke the certificate of authority of any insurer failing to cure any such deficiency within such thirty (30) days.

Section 70. KRS 304.9-370 is amended to read as follows:

(1) Application for and acceptance of a license as a consultant by a nonresident of Kentucky shall thereby be deemed to constitute irrevocable appointment of the comissioner as the attorney of the licensee for the acceptance of service of process issued in this state in any action or proceeding against the licensee arising out of such licensing or out of transactions under the license.

(2) Duplicate copies of process shall be served upon the commissioner or other person in apparent charge of his office during his absence, accompanied by payment to the commissioner of $5.00 as a process fee. Upon receiving such service the commissioner shall promptly forward a copy thereof by [registered or] certified mail (with return receipt requested) to the nonresident licensee at his business address last of record with the commissioner.

(3) Process served upon the commissioner and copy thereof forwarded as in this section provided shall for all purposes constitute personal service thereof upon the licensee.

Section 71. KRS 304.10-200 is amended to read as follows:

(1) An unauthorized insurer shall be sued, upon any cause of action arising in the state under any contract issued by it as a surplus lines contract pursuant to this subtitle, in the circuit court of the county in which the cause of action arose.

(2) Service of legal process against the insurer may be made in any such action by service upon the commissioner as provided in KRS 304.3-320. The commissioner shall forthwith mail a copy of the process served to the person designated by the insurer in the policy for the purpose, by prepaid [registered or] certified mail with return receipt requested. Process served upon the commissioner and copy thereof forwarded as provided in this section shall for all purposes, constitute personal service upon the insurer.

(3) An unauthorized insurer issuing such policy shall be deemed thereby to have authorized service of process against it in the manner and to the effect as provided in this section. Any such policy shall contain a provision stating the substance of this section, and designating the person to whom the commissioner shall mail process as provided in subsection (2) of this section.

Section 72. KRS 304.29-400 is amended to read as follows:

(1) Every society authorized to do business in this state shall appoint in writing the commissioner and each successor in office to be its true and lawful attorney upon whom all lawful process in any action or proceeding against it shall be served, and shall agree in such writing that any lawful process against it which is served on said attorney, shall be of the same legal force and validity as if served upon the society, and that the authority shall continue in force so long as any liability remains outstanding in this state. Copies of such appointment, certified by such commissioner, shall be deemed sufficient evidence thereof and shall be admitted in evidence with the same force and effect as the original thereof might be admitted.

(2) Service shall only be made upon the commissioner, or if absent, upon the person in charge of his office, it shall be made in duplicate and shall constitute sufficient service upon the society. When legal process against a society is served upon the commissioner, he shall forthwith forward one (1) of the duplicate copies by certified mail, return receipt requested [or by registered mail, prepaid,] directed to the secretary or corresponding officer. No such service shall require a society to file its answer, pleading or defense in less than thirty (30) days from the date of mailing the copy of the service to a society. Legal process shall not be served upon a society except in the manner herein provided. At the time of serving any process upon the commissioner, the plaintiff or complainant in the action shall pay to the commissioner of insurance a fee of $5.00.

Section 73. KRS 304.33-110 is amended to read as follows:

(1) Summary order after hearing. Whenever the commissioner has reasonable cause to believe, and determines, after a hearing held as prescribed in subsection (2) of this section, that any insurer has committed or engaged in, or is committing or engaging in or is about to commit or engage in any act, practice or transaction that would subject it to formal delinquency proceedings under this subtitle, he may make and serve upon the insurer and any other persons involved, such orders other than seizure orders under KRS 304.33-120 as are reasonably necessary to correct, eliminate or remedy such conduct, condition or ground. If the order is for a restoration of or addition to capital, it shall be carried out as provided in KRS 304.24-350.

(2) Service, notice, hearing. The notice of hearing under subsection (1) of this section and the summary order issued under subsection (1) of this section shall be served by delivery or by mailing certified mail, return receipt requested [or by registered mail and postage prepaid,] addressed to the insurer at its principal place of business. The notice of hearing under subsection (1) of this section shall state the time and place of hearing, and the conduct, condition or ground upon which the commissioner would base his order. Unless mutually agreed between the commissioner and the insurer, the hearing shall occur not less than ten (10) days nor more than thirty (30) days after notice is served and shall be either in Franklin County or in some other place convenient to the parties to be designated by the commissioner.

(3) Judicial relief. Subsequent to a hearing the insurer or any person whose interests are substantially affected shall be entitled to judicial review of any order issued by the commissioner.

(4) Enforcement by injunction. The commissioner may apply for and any court of general jurisdiction may grant, such restraining orders, temporary and permanent injunctions and other orders as are deemed necessary to enforce a summary order.

Section 74. KRS 304.33-570 is amended to read as follows:

(1) Filing claims. In a liquidation proceeding in a reciprocal state against an insurer domiciled in that state, claimants against the insurer who reside within this state may file claims either with the ancillary receiver, if any, in this state, or with the domiciliary liquidator. Claims must be filed on or before the last dates fixed for the filing of claims in the domiciliary liquidation proceeding.

(2) Proving claims. Claims belonging to claimants residing in this state may be proved either in the domiciliary state under the law of that state or in ancillary proceedings, if any, in this state. If a claimant elects to prove his claim in this state, he shall file his claim with the court in the manner provided in KRS 304.33-360 and 304.33-370. The ancillary receiver shall make his recommendation to the court as under KRS 304.33-440. He also shall arrange a date for hearing if necessary under KRS 304.33-400 and shall give notice to the liquidator in the domiciliary state, [either] by [registered mail,] certified mail, return receipt requested or by personal service at least forty (40) days prior to the date set for hearing. If the domiciliary liquidator, within thirty (30) days after the giving of such notice, gives notice in writing to the ancillary receiver and to the claimant, either by *certified* [registered] mail or by personal service, of his intention to contest the claim, he shall be entitled to appear or to be represented in any proceeding in this state involving the adjudication of the claim. The final allowance of the claim by the courts of this state shall be accepted as conclusive as to amount and as to priority against special deposits or other security located in this state.

Section 75. KRS 304.34-100 is amended to read as follows:

(1) If any bail bondsman is convicted by a court of a violation of any of the provisions of this subtitle, the license of such individual shall therefore be deemed to be immediately revoked, without any further procedure relative thereto by the commissioner.

(2) As to licenses issued under this subtitle and thereafter suspended or revoked, or renewal thereof refused by the commissioner, the procedures hereinafter set forth in this section shall apply:

(a) If after investigation or upon other evidence the commissioner has reason to believe that there may exist any one or more causes for suspension, revocation or refusal to renew or continue the license of any bail bondsman as such causes are specified in subsection (1) of KRS 304.34-090 or that a bail bondsman has been guilty of violating any of the laws of this state relating to bail bonds, the commissioner shall mail written notice by certified mail, return receipt requested [or by registered mail] of his intention to suspend, revoke, or to renew the license as the case may be, accompanied by a copy of the charges against the licensee to the licensee, and, if applicable, to the insurer or corporation represented by the licensee agent, or the bail bondsman represented by the licensee if an employe of another licensed bail bondsman.

(b) If within twenty (20) days after the date of mailing the notice and charges as provided for in paragraph (a) of this subsection, the licensee has not filed with the commissioner a written answer to such charges coupled with a written request for a hearing thereon, the commissioner may proceed to suspend, revoke or refuse to renew the license.

(c) If within such twenty (20) days an answer and request for hearing is so filed with the commissioner, the commissioner shall hold a hearing with respect to the charges, the hearings to be held within sixty (60) days of the date of the mailing of the notice and charges referred to in paragraph (a) of this subsection, unless postponed by the mutual consent of the parties. The commissioner shall give the licensee written notice of the hearing and of the matters to be considered thereat not less than ten (10) days in advance of the hearing date.

(d) Following the hearing the commissioner shall make his order thereon and mail a copy thereof by certified mail, return receipt requested [or by registered mail] to the address last of record in his office of each party to the hearing. If by his findings made upon the hearing the commissioner finds that one or more of the causes thereof exist as specified in subsection (1) of KRS 304.34-090 his order shall incorporate the taking of action relative to suspension, revocation or refusal to renew the license as authorized.

(3) Appeals from final orders of the commissioner under this subtitle shall be made to the Franklin Circuit Court pursuant to the Kentucky Rules of Civil Procedure.

Section 76. KRS 313.330 is amended to read as follows:

(1) The board may, upon complaint or upon its own motion, after a hearing, and after ten (10) days' notice, in writing, to the licensee of the time and place of hearing, revoke or suspend or refuse to renew the license of any dental hygienist by entering an order to that effect, together with its findings in respect thereto, if it shall be determined that such licensee:

(a) Has violated any of the provisions of KRS 313.260 to 313.350 or any regulation made thereunder; or

(b) Has made a material false statement in his application for examination; or

(c) No longer possesses good moral character; or

(d) Directly or indirectly advertises or solicits for dental hygiene business; or

(e) Is grossly negligent in his profession.

(2) In any proceeding to revoke, suspend or refuse to renew the license of any licensee a certified copy of any order entered by the board shall immediately be delivered or sent to the licensee by certified mail, return receipt requested [or by registered mail] at his last known address.

Section 77. KRS 318.066 is amended to read as follows:

(1) No license shall be suspended or revoked by the department unless a hearing has been conducted or an opportunity afforded therefor, at which the holder of the license shall have the right to be present in person or by counsel and to present evidence and be heard in his own behalf. The holder of the license shall be given written notice of the hearing at least thirty (30) days prior to the date thereof. The notice shall state the time and place of the hearing and set forth the ground or grounds for the suspension or revocation in sufficient detail to apprise the holder of the license of the charges preferred against him. Upon failure of the holder of the license to respond to the complaint at or before the time of the hearing thereon, the allegations set forth in the complaint shall be taken by the department as confessed. Proceedings at such hearings shall be in accordance with the rules and regulations of the department.

(2) The department shall appoint and provide for a hearing officer to conduct such hearings. The hearing officer shall have authority to issue subpoenas for the attendance of witnesses and the production of papers and records, administer oaths, schedule hearings and otherwise act in the name and on behalf of the department, but shall not have authority to suspend or revoke licenses. He shall cause to be prepared and shall certify to the department a complete written transcript of the record of each hearing, including all pleas, motions and other papers relating thereto, for consideration and decision by the department. An order of the department suspending or revoking a license shall be effective thirty (30) days after notice of the entry of such order is given the holder thereof.

(3) Each notice required by this section to be given a licensee shall be served by forwarding same by certified mail, return receipt requested [or by registered mail, postage prepaid,] to the holder at his address as it appears in the records of the department.

(4) A licensee aggrieved by an order of the department suspending or revoking a license may, within thirty (30) days after notice thereof, appeal therefrom to the department. The decision of the department shall be based on the transcript of evidence prepared by the hearing officer.

(5) A person aggrieved by an order of the department suspending or revoking a license may, within thirty (30) days after notice of such suspension or revocation, appeal therefrom to the circuit court of the county in which the principal office of the department is located by filing a statement of appeal therein together with an appeal bond with good and sufficient surety to secure the payment of any costs charged against him on the appeal. The cost of preparing and certifying the record shall be paid to the department by the appellant and taxed as costs in the action to be paid as directed by the court upon final determination of the action. The appeal shall be determined by the court upon the certified record and no new or additional evidence shall be heard or considered by the court.

(6) Either party aggrieved by a final order entered by the circuit court may appeal to the Court of Appeals as in a civil action.

Section 78. KRS 321.360 is amended to read as follows:

The board, before denying an application for license under the provisions of KRS 321.340 or before suspending or revoking any license under the provisions of KRS 321.340 and 321.350, shall set the matter down for hearing; and, at least twenty (20) days prior to the date set for the hearing it shall notify the applicant or licensee in writing, which said notice shall contain an exact statement of the charges made and the date and place of the hearing. The applicant or licensee in all hearings shall have the opportunity to be heard in person and by counsel in reference thereto. Such written notice may be served by delivery of the same personally to the applicant or licensee or by mailing same by certified mail, return receipt requested [or by registered mail] to the last known business address of such applicant or licensee. The hearing on such charges shall be at such time and place as the board shall prescribe.

Section 79. KRS 323.130 is amended to read as follows:

(1) No license shall be revoked or suspended without a hearing. The board may proceed against a license on its own initiative, on the basis of either information contained in its own records or information obtained through its informal investigation. When a formal complaint verified by affidavit is filed with the board by a responsible citizen or organization, containing allegations that if true would warrant suspension or revocation of a license, the board shall proceed against the licensee within three (3) months.

(2) A written notice stating grounds for possible suspension or revocation of the license, setting forth with reasonable particularity the facts constituting the alleged offense and the time and place of the hearing before the board on the charges, shall be served on the accused not less than twenty (20) days prior to the date of the hearing either personally or by mailing a copy thereof by certified mail, return receipt requested [or by registered mail] to the address of the accused last known to the board.

Section 80. KRS 323.140 is amended to read as follows:

(1) The board, or any member thereof, may issue subpoenas to compel the attendance of witnesses and the production of documents, and may administer oaths, take testimony, hear proof and receive exhibits in evidence. In case of disobedience to a subpoena the board may invoke the aid of the Franklin Circuit Court. Any order or subpoena of such court requiring the attendance and testimony of witnesses and the production of documentary evidence may be enforced and shall be valid anywhere in this state.

(2) At any hearing the accused may appear in person or by counsel, produce evidence and witnesses on his own behalf, cross-examine witnesses, and examine such evidence and documents as may be produced against him. The accused shall be entitled, on application to the board, to the issuance of subpoenas to compel the attendance of witnesses on his behalf. The board may also be represented by counsel.

(3) The board shall not be bound by technical rules of evidence, but the order of the board shall be based on competent evidence.

(4) A stenographic record of the proceedings shall be kept, but it shall not be necessary to transcribe shorthand notes unless an appeal is taken from the order.

(5) The board's order shall be in writing and shall be accompanied by findings of fact and conclusions of law.

(6) A copy of an order suspending or revoking a license shall be served upon the licensee by certified mail, return receipt requested [or by registered mail] immediately upon entry by the board. Any license that is suspended or revoked shall be surrendered to the board accompanied by the licensee's certificate.

Section 81. KRS 323A.120 is amended to read as follows:

(1) No license shall be revoked or suspended without a hearing. The board may proceed against a licensee on its own initiative, on the basis of either information contained in its own records or information obtained through its informal investigation. When a formal complaint verified by affidavit is filed with the board by a responsible citizen or organization, containing allegations that if it were true would warrant suspension or revocation of a license, the board shall proceed against the licensee within three months.

(2) A written notice stating grounds for possible suspension or revocation of the license, setting forth with reasonable particularity the facts constituting the alleged offense and the time and place of the hearing before the board on the charges, shall be served on the accused not less than twenty days prior to the date of the hearing, either personally or by mailing a copy thereof by certified mail, return receipt requested [or by registered mail] to the address of the accused last known to the board.

Section 82. KRS 323A.130 is amended to read as follows:

(1) The board, or any member thereof, may issue subpoenas to compel the attendance of witnesses and the production of documents and may administer oaths, take testimony, hear proof and receive exhibits in evidence. In case of disobedience to a subpoena the board may invoke the aid of the Franklin Circuit Court. Any order or subpoena of such court requiring the attendance and testimony of witnesses and the production of documentary evidence may be enforced and shall be valid anywhere in the state.

(2) At any hearing the accused may appear in person or by counsel, produce evidence and witnesses on his own behalf, cross-examine witnesses, and examine such evidence and documents as may be produced against him. The accused shall be entitled, on application to the board, to the issuance of subpoenas to compel the attendance of witnesses on his behalf. The board may also be represented by counsel.

(3) The board shall not be bound by technical rules of evidence, but the order of the board shall be based upon competent evidence.

(4) A stenographic record of the proceedings shall be kept, but it shall not be necessary to transcribe shorthand notes unless an appeal is taken from the order.

(5) The board's order shall be in writing and shall be accompanied by findings of fact and conclusions of law.

(6) A copy of an order suspending or revoking a license shall be served upon the licensee by certified mail, return receipt requested [or by registered mail] immediately upon entry by the board. Any license that is suspended or revoked shall be surrendered to the board accompanied by the licensee's certificate.

Section 83. KRS 324.140 is amended to read as follows:

Every nonresident applicant shall file an irrevocable consent that suits and actions may be commenced against such applicant in the proper court of any county of this state in which a cause of action may arise in which the plaintiff may reside, by the service of any process or pleading authorized by the laws of this state on the secretary of the commission, said consent stipulating and agreeing that such service of such process or pleadings on said secretary shall be taken and held in all courts to be as valid and binding as if due service had been made upon said applicant in the state of Kentucky. Any process or pleadings served upon the secretary of the commission shall be by duplicate copies, one (1) of which shall be filed in the office of the commission and the other immediately forwarded by certified mail, return receipt requested [or by registered mail] to the main office of the applicant against which said process or pleadings are directed.

Section 84. KRS 324.170 is amended to read as follows:

The commission shall before denying an application for license or before suspending or revoking any license set the matter down for a hearing and at least twenty (20) days prior to the date set for the hearing it shall notify the applicant or licensee in writing, which said notice shall contain an exact statement of the charges made and the date and place of the hearing. The applicant or licensee in all hearings shall have the opportunity to be heard in person and by counsel in reference thereto. Such written notice may be served by delivery of same personally to the applicant or licensee or by mailing same by certified mail, return receipt requested [or by registered mail] to the last known business address of such applicant or licensee. If such applicant or licensee be an associate broker or salesman the commission shall also notify the broker with whom he is associated or whose employ he is about to enter by mailing notice by certified mail, return receipt requested [or by registered mail] to the broker's last known business address. The hearing on such charges shall be at such time and place as the commission shall prescribe.

Section 85. KRS 325.360 is amended to read as follows:

(1) The board may initiate proceedings under KRS 325.220 to 325.440 either on its own motion or on the complaint of any person.

(2) A written notice stating with reasonable particularity the nature of the charge and such acts of professional misconduct as are complained of against the accused and the time and place of the hearing before the board on such charges shall be served on the accused not less than thirty (30) days prior to the date of the hearing either personally or by mailing a copy thereof by certified mail, return receipt requested [or by registered mail] to the address of the accused last known to the board.

(3) If, after having been served with the notice of hearing as provided for herein, the accused fails to appear at said hearing, the board may hear evidence against him and may enter such order as shall be justified by the evidence, which order shall be final unless he petitions for a review thereof as provided herein: Provided, however, That within thirty (30) days from the date of any order, upon a showing of good cause for failing to appear, the board may reopen said proceedings and may permit the accused to submit evidence in his behalf.

(4) At any hearing the accused may appear in person or by counsel, produce evidence and witnesses on his own behalf, cross-examine witnesses, and examine such evidence and documents as may be produced against him. The accused shall be entitled, on application to the board, to the issuance of subpoenas to compel the attendance of witnesses on his behalf.

(5) The board, or any member thereof, may issue subpoenas to compel the attendance of witnesses and the production of documents, and may administer oaths, take testimony, hear proof and receive exhibits in evidence in connection with or at the hearing under KRS 325.220 to 325.440. In case of disobedience to a subpoena the board may invoke the aid of the Franklin Circuit Court. Any order or subpoena of such court requiring the attendance and testimony of witnesses and the production of documentary evidence may be enforced and shall be valid anywhere in this state.

(6) The board shall not be bound by technical rules of evidence.

(7) A stenographic record of the hearing shall be kept and a transcript thereof filed with the board.

(8) At all hearings the attorney general of this state, or one (1) of his assistants designated by him shall appear and represent the board.

(9) The decision of the board shall be by majority vote thereof.

(10) Any person adversely affected by any order of the board may obtain a review thereof by filing a written petition for review with the Franklin Circuit Court within thirty (30) days after the entry of said order. The petition shall state the grounds upon which the review is asked and shall pray that the order of the board be modified or set aside in whole or in part. A copy of such petition shall be forthwith served upon any member of the board and thereupon the board shall certify and file in the court a transcript of the record upon which the order complained of was entered. No new or additional evidence shall be introduced in the Franklin circuit Court except as to fraud or misconduct affecting the outcome of the case, but the court shall otherwise hear the case upon the record as attested by the executive secretary of the accountancy board, and shall in all respects dispose of the appeal in a summary manner. Its review shall be limited to determining whether or not:

(a) The board acted without or in excess of its power;

(b) The order appealed from was procured by fraud or misconduct;

(c) Substantial evidence supports the order appealed from;

(d) The board's decision is supported by the law. The court may affirm, modify or set aside the board's order in whole or in part, or may remand the case to the board for further evidence, and may in its discretion, stay the effect of the board's order pending its determination of the case. The court's order shall have the force and effect of a decree in equity and may be appealed to the Court of Appeals.

Section 86. KRS 326.100 is amended to read as follows:

No license shall be suspended or revoked until after a hearing before the board upon notice to the license holder of at least ten (10) days. The notice shall be served either personally or by [registered mail or] certified mail, return receipt requested and shall state the date and place of the hearing and set forth the ground or grounds constituting the charges against the license holder. The license holder shall be heard in his defense either in person or by counsel and may produce witnesses and testify in his own behalf.

Section 87. KRS 328.080 is amended to read as follows:

(1) The board may revoke a certificate of registration upon the failure of the holder thereof to pay the annual renewal fee, upon giving said holder thirty (30) days' notice in writing of such proposed revocation. Notice shall be sufficient when sent by certified mail, return receipt requested [or by registered mail] to the last known address of the holder.

(2) The board may revoke a certificate of registration obtained through error of the board or fraud on the part of the applicant, or if the holder is grossly incompetent, guilty of immoral or unethical conduct, or obtained or sought to obtain anything of value by fraudulent representations in the practice of watchmaking. The holder of such certificate shall be given thirty (30) days' notice in writing enumerating the charges and specifying a date for the hearing on such charges. At the hearing he shall have the opportunity to confront witnesses against him and to produce evidence bearing on such charges. A stenographic record of all proceedings shall be made and transcript kept on file with the board. Any aggrieved holder may appeal to the Franklin Circuit Court on the board's ruling within fifteen (15) days from entry of the order of revocation.

(3) One whose certificate has been revoked, may, upon the expiration of one (1) year after such revocation, apply to the board for registration and upon satisfactory proof that the cause of revocation no longer exists, the board may, in its discretion, issue to said person a certificate of registration upon payment of the fees herein provided.

(4) "Unethical conduct" as used in this chapter shall include and mean any conduct of a character likely to mislead, deceive or defraud the public; advertising of any character in which untruthful or misleading statements are made; advertising of prices on watch repairing or the giving of watch glasses, crystals or of any other watch parts, gratis or at less than cost, in order to advertise or increase watch repair business; performance of any service in pursuance of any such advertising; loaning of a certificate of registration to any person; failure to display the certificate of registration conspicuously at all times; representation that a watch has been cleaned although its major parts, train wheels and mainspring have not been disassembled and the capped jewels removed and all parts properly cleaned; performance of any work upon a watch in an unworkmanlike or unskilled manner; representation that certain services or parts are necessary or have been or will be used in the repair of a watch, although such services or parts are not necessary and have not been used in such repairs; employing directly or indirectly, any unregistered watchmaker to perform any watchmaking; or noncompliance, within thirty (30) days, with the directions given in a written notice from any provision of this chapter.

Section 88. KRS 329.060 is amended to read as follows:

Each nonresident applicant for a trainee's license or examiner's license or a renewal license shall file an irrevocable consent that actions against the applicant may be filed in any appropriate court of any county of this Commonwealth in which the plaintiff resides or in which some part of the transaction occurred out of which the alleged cause of action arose and that process in any action may be served on the applicant by leaving two (2) copies thereof with the commissioner of the department. Such consent shall stipulate and agree that such service of process shall be valid and binding for all purposes. The commissioner shall send forthwith one (1) copy of the process to the applicant by [registered or] certified mail at the address shown on the records of the department.

Section 89. KRS 329.100 is amended to read as follows:

The department may upon its own motion and shall upon the verified complaint in writing of any person setting forth facts which if proved would constitute grounds for denial, suspension or revocation of a license under this chapter, investigate the actions of any applicant or any person holding or claiming to hold a license. The department shall, before denial, suspension or revocation of a license, at least ten (10) days prior to the date set for the hearing, notify in writing the applicant or holder of a license of the nature of the charges and that a hearing will be held on the date designated. The hearing shall determine whether the applicant or holder, called the respondent in this section and KRS 329.110, is privileged to hold such license, and shall afford the respondent an opportunity to be heard in person or by counsel in reference thereto. Such written notice may be served by personal delivery to the respondent or by mailing the same by [registered or] certified mail with return receipt requested to the place of business last specified by the respondent on the records of the department. At the time and place fixed in the notice, the commissioner shall proceed to hear the charges, and both the respondent and complainant shall be accorded ample opportunity to present in person or by counsel such statements, testimony, evidence and argument as may be pertinent to the charges or to the defense thereto. The commissioner may continue such hearing from time to time. If the commissioner shall not be sitting at the time and place fixed in the notice or at the time and place to which the hearing shall have been continued, the commissioner shall continue such hearing for a period not to exceed thirty (30) days.

Section 90. KRS 329.110 is amended to read as follows:

(1) The department, at its expense, shall provide a stenographer to take down the testimony and preserve a record of all proceedings at the hearing of any case involving the denial, suspension or revocation of a license. The notice of hearing, complaint and all other documents in the nature of pleadings and written motions filed in the proceedings, the transcript of testimony, the report of the commissioner and orders of the department shall be the records of such proceedings. The department shall furnish a transcript of such record to any person interested in such hearing upon the payment therefor of seventy-five cents (75¢) per page for each original transcript and twenty-five cents (25¢) per page for each carbon copy thereof ordered with the original; Provided, however, the charge for any part of such transcript ordered and paid for previous to the writing of the original record therefor shall be twenty-five cents (25¢) per page.

(2) In any case involving the denial, suspension or revocation of a license, a copy of the commissioner's report shall be served upon the respondent by the department, either personally or by [registered or] certified mail as provided in KRS 329.100 for the service of the notice of hearing. Within twenty (20) days after such service, the respondent may present to the department a motion in writing for a rehearing, which written motion shall specify the particular grounds therefor. If no motion for rehearing is filed, then upon the expiration of the time specified for filing such a motion, or if a motion for rehearing is denied, then upon such denial, the commissioner may enter an order in accordance with recommendations of the department. If the respondent shall order and pay for a transcript of the record within the time for filing a motion for rehearing, the twenty (20) day period within which such a motion may be filed shall commence upon the delivery of the transcript to the respondent.

Section 91. KRS 330.090 is amended to read as follows:

(1) A nonresident may become an auctioneer or apprentice auctioneer by conforming to all the conditions of this chapter.

(2) In every instance the nonresident must pay the issuance fee, the annual renewal fee and file the bond required by this chapter.

(3) In addition, every nonresident applicant shall file an irrevocable consent that actions may be commenced against the applicant in any court of competent jurisdiction in the Commonwealth, by the service of any summons, process or pleadings authorized by law on the secretary of the board. The consent shall stipulate and agree that the service of such process, summons or pleadings on the secretary shall be taken and held in all courts to be as valid and binding as if actual service had been made upon the applicant in Kentucky. In case any summons, process or pleadings are served upon the secretary of the board, it shall be by duplicate copies, one of which shall be retained in the office of the board, and the other immediately forwarded by certified mail, return receipt requested [or by registered mail] to the last known business address of the applicant against which the summons, process or pleadings may be directed.

Section 92. KRS 330.130 is amended to read as follows:

Before denying an application for license or before suspending or revoking any license, the board shall set the matter down for a hearing, and at least twenty (20) days prior to the date for the hearing it shall notify the applicant or licensee in writing. The notice shall contain an exact statement of the charges made and the date and place of the hearing. The licensee or applicant at all hearings shall have the opportunity to be heard in person and by counsel. Written notice may be served by delivery of the notice personally to the applicant or licensee or by mailing the notice by certified mail, return receipt requested [or by registered mail] to the last known business address of such applicant or licensee. If such applicant or licensee is an apprentice auctioneer, the board shall also notify the auctioneer employing him or whose employ he is about to enter, by mailing notice by certified mail, return receipt requested [or by registered mail] to the auctioneer's last known business address. The hearing on such charges shall be at such time and place as the board shall prescribe.

Section 93. KRS 335.150 is amended to read as follows:

(1) The board may hear grievances of persons whose applications for a license have been denied.

(2) The board may deny, revoke, or suspend any license upon proof that the person has willfully or repeatedly violated any of the provisions of KRS 335.010 to 335.160 and 335.990 or any rule or regulation promulgated by the board.

(3) The board shall not suspend, revoke or refuse to renew a license except after a hearing held before the board upon notice to the person charged.

(4) The notice shall be in writing, shall state the nature of the charges, the time and place of the hearing, and shall be served on the person charged by *certified* [registered] mail not less than thirty (30) days prior to the date of the hearing.

(5) The person charged may appear in person or by counsel, may testify and may produce evidence and witnesses on his own behalf, may cross examine witnesses, and shall be entitled, on application to the board, to the issuance of subpoenas to compel the attendance of witnesses and the production of documentary evidence.

(6) The board, or its duly authorized representative on its behalf, shall have authority to issue subpoenas to compel the attendance of witnesses and the production of documents and may administer oath. The board may invoke the aid of the circuit court for the county in which the hearing is held to enforce compliance with its subpoenas.

(7) A stenographic or mechanical record of the hearing shall be taken, and a transcript shall be preserved by the board.

(8) At all hearings before the board the attorney general of the Commonwealth, or one of his assistants designated by him shall appear and represent the board.

(9) The decision of the board shall be by majority vote thereof.

(10) A copy of the board's order shall be sent by *certified* [registered] mail to the person charged at his last known address.

(11) The board may grant a rehearing when new and material evidence is offered for its consideration.

(12) Any person aggrieved by a final order of the board may within thirty (30) days of the entry of the order, appeal to the circuit court for the county in which he resides. The appeal shall be determined by the court upon the certified record and no new or additional evidence shall be heard or considered by the court. An appeal may be taken from the judgment of the circuit court on any such appeal to the Court of Appeals in accordance with the Rules of Civil Procedure.

Section 94. KRS 341.305 is amended to read as follows:

Any employing unit which is not a resident of this state and which exercises the privilege of having one or more individuals perform service for it within this state, and any resident employing unit which exercises that privilege and thereafter removes from this state, shall be deemed thereby to appoint the secretary of state as its agent and attorney for the acceptance of process in any civil action, as provided in KRS 341.300 and 341.310. In instituting such an action against any such employing unit the commissioner shall cause such process or notice to be filed with the secretary of state and such service shall be sufficient service upon such employing unit, and shall be of the same force and validity as if served upon it personally within this state; Provided, That, the commissioner shall forthwith send notice of the service of such process or notice, together with a copy thereof, by certified [or registered] mail, return receipt requested, to such employing unit at its last known address and such return receipt, the commissioner's affidavit of compliance with the provisions of this section, and a copy of the notice of service shall be appended to the original of the process filed in the court in which such action is ending.

Section 95. KRS 342.670 is amended to read as follows:

(1) If an employe, while working outside the territorial limits of this state, suffers an injury on account of which he, or in the event of his death, his dependents, would have been entitled to the benefits provided by this chapter had such injury occurred within this state, such employe, or in the event of his death resulting from such injury, his dependents, shall be entitled to the benefits provided by this chapter, provided that at the time of such injury:

(a) His employment is principally localized in this state, or

(b) He is working under a contract of hire made in this state in employment not principally localized in any state, or

(c) He is working under a contract of hire made in this state in employment principally localized in another state whose workmen's compensation law is not applicable to his employer, or

(d) He is working under a contract of hire made in this state for employment outside the United States and Canada.

(2) The payment or award of benefits under the workmen's compensation law of another state, territory, province or foreign nation to an employe or his dependents otherwise entitled on account of such injury or death to the benefits of this chapter shall not be a bar to a claim for benefits under this chapter, provided that claim under this chapter is filed within two (2) years after such injury or death. If compensation is paid or awarded under this chapter:

(a) The medical and related benefits furnished or paid for by the employer under such other workmen's compensation law on account of such injury or death shall be credited against the medical and related benefits to which the employe would have been entitled under this chapter had claim been made solely under this chapter;

(b) The total amount of all income benefits paid or awarded the employe under such other workmen's compensation law shall be credited against the total amount of income benefits which would have been due the employe under this chapter, had claim been made solely under this chapter;

(c) The total amount of death benefits paid or awarded under such other workmen's compensation law shall be credited against the total amount of death benefits due under this chapter;

(3) If any employe is entitled to the benefits of this chapter by reason of an injury sustained in this state in employment by an employer who is domiciled in another state and who has not secured the payment of compensation as required by this chapter, the employer or his carrier may file with the board a certificate, issued by the commission or agency of such other state having jurisdiction over workmen's compensation claims, certifying that such employer has secured the payment of compensation under the workmen's compensation law of such other state and that with respect to said injury such employe is entitled to the benefits provided under such law, and that the benefits to which such employe or his dependents is entitled are at least as great as those to which he would be entitled if the injury occurred and was processed under Kentucky law, under Kentucky coverage. In such event:

(a) The filing of such certificate shall constitute an appointment by such employer or his carrier of the board as his agent for acceptance of the service of process in any proceeding brought by such employe or his dependents to enforce his or their rights under this chapter on account of such injury;

(b) The board shall send to such employer or carrier, by [registered or] certified mail to the address shown on such certificate, a true copy of any notice of claim or other process served on the board by the employe or his dependents in any proceeding brought to enforce his or their rights under this chapter;

(c) 1. If such employer is a qualified self-insurer under the workmen's compensation law of such other state, such employer shall, upon submission of evidence satisfactory to the board, of his ability to meet his liability to such employe under this chapter, be deemed to be a qualified self-insurer under this chapter;

2. If such employer's liability under the workmen's compensation law of such other state is insured, such employer's carrier, as to such employe or his dependents only, shall be deemed to be an insurer authorized to write insurance under and be subject to this chapter; provided, however, that unless its contract with said employer requires it to pay an amount equivalent to the compensation benefits provided by this chapter, its liability for income benefits or medical and related benefits shall not exceed the amounts of such benefits for which such insurer would have been liable under the workmen's compensation law of such other state;

(d) If the total amount for which such employer's insurance is liable under (c) above is less than the total of the compensation benefits to which such employe is entitled under this chapter, the board may, if it deems it necessary, require the employer to file security, satisfactory to the board, to secure the payment of benefits due such employe or his dependents under this chapter, and

(e) Upon compliance with the preceding requirements of this subsection (3), such employer, as to such employe only, shall be deemed to have secured the payment of compensation under this chapter.

(4) As used in this section:

(a) "United States" includes only the states of the United States and the District of Columbia;

(b) "State" includes any state of the United States, the District of Columbia, or any Province of Canada;

(c) "Carrier" includes any insurance company licensed to write workmen's compensation insurance in any state of the United States or any state or provincial fund which insures employers against their liabilities under a workmen's compensation law;

(d) A person's employment is principally localized in this or another state when:

1. His employer has a place of business in this or such other state and he regularly works at or from such place of business, or

2. If subparagraph 1. foregoing is not applicable, he is domiciled and spends a substantial part of his working time in the service of his employer in this or such other state;

(e) An employe whose duties require him to travel regularly in the service of his employer in this and one or more other states may, by written agreement with his employer, provide that his employment is principally localized in this or another such state, and, unless such other state refuses jurisdiction, such agreement shall be given effect under this chapter;

(f) "Workmen's compensation law" includes "occupational disease law."

Section 96. KRS 344.210 is amended to read as follows:

(1) Within sixty (60) days after a complaint is filed, unless the commission has issued an order dismissing the complaint or stating the terms of a conciliation agreement or within thirty (30) days after an application for review is filed under subsection (3) of KRS 344.200, the commission shall serve on the respondent by [registered or] certified mail a written notice, together with a copy of the complaint as it may have been amended, requiring the respondent to answer the allegations of the complaint at a hearing before one or more members of the commission or an individual designated pursuant to its rules, at a time and place specified in the notice. A copy of the notice shall be furnished to the complainant, the attorney general, and such other public officers and persons as the commission deems proper.

(2) A member of the commission who filed the complaint or endeavored to eliminate the alleged unlawful practice by conference, conciliation or persuasion, shall not participate in the hearing or in the subsequent deliberation of the commission.

(3) The respondent may file an answer with the commission by [registered or] certified mail not less than five (5) days before the hearing date. The commission or the complainant may amend a complaint and the respondent may amend an answer at any time prior to the issuance of an order based on the complaint, but no order shall be issued unless the respondent has had the opportunity of a hearing on the complaint or amendment on which the order is based.

(4) The case in support of the complaint shall be presented before the commission by one of its attorneys or staff. Efforts at conference, conciliation, and persuasion shall not be received in evidence.

(5) A respondent who has filed an answer or whose default in answering has been set aside for good cause shown may appear at the hearing, may examine and cross-examine witnesses and the complainant, and may offer evidence. The complainant, the attorney general, and, in the discretion of the commission, any person may intervene, examine and cross-examine witnesses, and present evidence.

(6) If the respondent fails to answer the complaint, the commission may enter his default. Unless the default is set aside for good cause shown, the hearing may proceed on the evidence in support of the complaint.

(7) Testimony taken at the hearing shall be under oath and transcribed. After the hearing, in its discretion, the commission upon notice to all parties with an opportunity to be present may take further evidence or hear argument.

Section 97. KRS 345.120 is amended to read as follows:

(1) There is hereby created and established a state labor relations board to assist in resolving disputes between public employers and fire fighters or their labor organization which shall be composed of three members appointed by the governor, one for a term of two years, one for a term of three years, and one for a term of four years. The governor shall designate one member to serve as chairman of the board. Thereafter, upon the expiration of the term of any member, members shall be appointed for four-year terms by the governor.

(2) Each member of the board shall have been an elector in this state for at least one year next preceding his appointment. Any member may be removed by the governor for cause, shown in a public hearing after the accused has been given a copy of the charges made and has had an opportunity to answer such charges. The governor shall fill any vacancy by appointment for the unexpired term. No member shall receive a salary but each member shall be paid $50 and expenses for each day during which he is engaged in the duties of the board. The board is authorized to hold hearings at any place in this state. Any and all expenses incurred by the labor relations board shall be shared by all parties concerned in the dispute.

(3) The board shall appoint such employes as may be necessary to carry out the work of the board. All files, records and documents accumulated by the board shall be kept in offices provided by the board. All decisions shall be made by a majority of the board.

(4) To accomplish the objectives and to carry out the duties prescribed by this chapter, the board may subpoena witnesses, issue subpoenas to require the production of books, papers, records and documents which may be needed as evidence in any matter under inquiry, and may administer oaths and affirmations.

(5) In case of neglect or refusal to obey a subpoena issued to any person, the circuit court of the county in which the investigations or the public hearings are taking place, upon application by the board may issue an order requiring such person to appear before the board, any member or agent, to produce evidence or give testimony about the matter under investigation. A failure to obey such order may be punished by the court as a contempt.

(6) Any subpoena, notice of hearing or other process or notice of the board issued under the provisions of this chapter may be served personally, by certified mail, return receipt requested [or by registered mail] or by leaving a copy at the principal office or place of residence of the respondent required to be served. A return, made and verified by the individual making such service and setting forth the manner of such service is proof of service and a returned post-office receipt, when certified [or registered] mail is used, is proof of service. All process of any court to which application may be made under the provisions of this chapter may be served in the county wherein the persons required to be served reside or may be found.

(7) The board shall adopt, promulgate, amend or rescind such rules and regulations as it deems necessary and administratively feasible to carry out the provisions of this chapter. Public hearings shall be held by the board on any proposed rule or regulation of general applicability designed to implement, interpret or prescribe policy, procedure or practice requirements under the provisions of this chapter and on any proposed change in an existing rule or regulation. Reasonable notice shall be given prior to such hearings, which shall include the time, place and nature of such hearing and also the terms or substance of the proposed rule or regulation or the changes of such rule or regulation.

(8) The board shall be attached to the department of labor for administrative purposes.

Section 98. KRS 350.090 is amended to read as follows:

(1) Under the provisions of this chapter and regulations adopted by the department, an operator shall prepare and carry out a method of operation, plan of grading and backfilling and a reclamation plan for the area of land affected by his operation. In developing a method of operation, and the plans of backfilling, grading and reclamation, all measures shall be taken to eliminate damages to members of the public, their real and personal property, public roads, streams and all other public property from soil erosion, rolling stones and overburden, water pollution and hazards dangerous to life and property. The plan shall be submitted to the department and the department shall notify the applicant by certified mail, return receipt requested [or by registered mail] within thirty (30) working days after receipt of the plan and complete application if it is or is not acceptable. If the plan is not acceptable, the department shall set forth the reasons for which the plan is not acceptable and it may propose modifications, delete areas or reject the entire plan. Should the applicant disagree with the decision of the department, he may, by written notice, request a hearing conducted by the department in the manner provided by KRS 224.083. The department shall notify the applicant by certified mail, return receipt requested [or by registered mail] within twenty (20) days after the hearing of its decision. Any person aggrieved by a final order of the department may appeal through the courts as set forth in KRS 224.085.

(2) No operator shall throw, dump, pile or permit the dumping, piling or throwing or otherwise placing any overburden, stones, rocks, coal, particles of coal, earth, soil, dirt, debris, trees, wood, logs, or any other materials or substances of any kind or nature beyond or outside of the area of land which is under permit and for which bond has been posted under KRS 350.060 or place such materials herein described

in such a way that normal erosion or slides brought about by natural physical causes will permit such materials to go beyond or outside of the area of land which is under permit and for which bond has been posted under KRS 350.060.

Section 99. KRS 350.130 is amended to read as follows:

(1) If any of the requirements of this chapter or rules or regulations adopted pursuant thereto or the orders of the department have not been complied with within the time limits set by the department or by this chapter, the department shall cause a notice of noncompliance to be served upon the operator, or where found necessary, the secretary shall after hearing (except as provided in KRS 224.071) order the suspension of a permit or operation. Such notice or order shall be handed to the person in charge of the operation, and the operator in person or served by certified mail, return receipt requested [or by registered mail] addressed to the permanent address shown on the application for a permit or if no address is shown on the application, then to the address known to the department. The notice of noncompliance or order of suspension shall specify in what respects the operator has failed to comply with this chapter or the regulations or orders of the department. If the operator has not reached an agreement with the department or has not complied with the requirements set forth in the notice of noncompliance or order of suspension within time limits set therein, the permit may be revoked or the operation terminated, after hearing, by order of the department and the performance bond, if any, shall then be forfeited to the department, except as provided in subsection (2) of this section and in KRS 350.110.

(2) When a bond is forfeited pursuant to the provisions of this chapter, the secretary shall give notice to the attorney general, who shall collect the forfeiture. Bond forfeitures collected in cases where the surface rights have been severed from the mineral rights shall be paid to the surface owner for the purpose of reclaiming in accordance with the provisions of this chapter the same area of land included under the bond; provided, that no payment shall be made until the reclamation has been accomplished in the manner required by the department, to the extent of available forfeited funds, and no payment shall be made beyond the actual cost of reclamation. Provided further, that this section shall not apply in cases where the owner does not desire or is unable to accomplish the work in the manner required by the department.

(3) An operator or person whose mining permit or operation has been revoked, suspended, or terminated shall not be eligible to receive another permit or begin another operation or to have suspended permits or operations reinstated until he shall have complied with all the requirements of this chapter in respect to all permits issued him, provided, further, that no operator or person shall be eligible to receive another permit or begin another operation who has forfeited any bond unless the land for which the bond was forfeited has been reclaimed without cost to the state or the operator or person has paid such sum as the department finds is adequate to reclaim such lands. The department shall not issue any additional permits to or allow future operations by any operator or person who has repeatedly been in noncompliance or violation of this chapter, or who has had permits revoked or operations terminated on more than three (3) occasions.

Section 100. KRS 351.102 is amended to read as follows:

(1) No person shall be assigned to work duties by an operator as a laborer or supervisor working underground for the purpose of mining coal unless the person holds a valid certificate of competency and qualification or a valid permit as trainee issued in accordance with this section.

(2) A permit as trainee miner shall be issued by the commissioner to any person who has completed a program of education and training of a minimum of forty (40) hours or who is enrolled in a certified mine technology program. This education and training program shall be determined and established by the board of miner training, education and certification, as provided in KRS 351.105.

(3) Trainee miners shall work within the sight and sound of a certified miner.

(4) Any miner holding a certificate of competency and qualification may have one (1) person working with him and under his direction as a trainee miner. Any person certified as a mine foreman, assistant mine foreman, or fire boss may have no more than five (5) persons working with him and under his supervision or direction as trainee miners for the purpose of learning and being instructed in the duties of underground coal mining.

(5) A certificate of competency and qualification as an underground miner shall be issued by the commissioner to any person who has in total a minimum of ninety (90) working days' experience as a trainee miner and demonstrated competence as a miner by the successful completion of an examination given by the commissioner or his representative in a manner and place to be determined by the board of miner training, education and certification.

(6) All examinations for the certification of a miner shall be of a practical nature and shall determine the competency and qualification of the applicant to engage in the mining of coal with reasonable safety to himself and his fellow employees. The examination may be given orally if the miner is unable to read or comprehend a written examination.

(7) Examinations shall be held in the district where the applicant resides or is to be employed after such public notice and at such time as the commissioner finds necessary to enable all applicants for certificates to have an opportunity to qualify for certification.

(8) Notice of the time and place of the examination for the certification of miners shall be given to management at the mine, to the miners or their representatives at the mine, and notice shall be posted at the places in the vicinity of the mine where notices to employees are posted.

(9) If the commissioner or his representative finds that an applicant is not qualified and competent, he shall so notify the applicant not more than ten (10) days after the date of examination.

(10) Any applicant aggrieved by an action of the commissioner in failing or refusing to issue a certificate of qualification and competency may, within ten (10) days of notice of the action complained of, appeal to the commissioner who shall within ten (10) days of the appeal give the applicant a hearing and either affirm the action or issue the certificate to the applicant.

(11) In the event the applicant is still aggrieved by the action of the commissioner, he may appeal to the board which shall hold a hearing on the matter within thirty (30) days. The applicant may be represented by counsel, produce evidence and witnesses on his behalf, and examine such evidence and documents as may be produced against him. The board may also be represented by counsel. The board shall not be bound by the technical rules of evidence, but the order of the board shall be based upon competent evidence. The board's order shall be in writing and shall be accompanied by findings of fact and conclusions of law. A copy of the order shall be served upon the applicant by personal service, by certified mail, return receipt requested, [or by registered mail] immediately upon entry by the board.

(12) The applicant may appeal from the order of the board by filing in the circuit court in the judicial circuit in which he resides a petition for appeal and a copy of the order of the board within thirty (30) days of the date of entry of the order. The petition for appeal shall set forth with particularity the grounds upon which the appeal is taken. The applicant shall cause a copy of the petition for appeal to be served upon the chairman of the board.

Section 101. KRS 351.345 is amended to read as follows:

(1) The commissioner, before revoking any license shall set the matter down for hearing, and at least twenty (20) days prior to the date set for the hearing, he shall notify the licensee in writing, which said notice shall contain an exact statement of the charges made and the date and place of the hearing. Such written notice may be served by delivery of the same personally to the licensee or by mailing same by [registered or] certified mail, return receipt requested, to the last known business address of such licensee. The hearing on such charges shall be at such time and place as the commissioner shall prescribe.

(2) The licensee, in all hearings, shall have the opportunity to be heard in person and by counsel in reference thereto.

(3) No person shall blast once his license has been revoked by the department.

Section 102. KRS 366.140 is amended to read as follows:

No license shall be denied or revoked except after a hearing thereon. The department shall give the applicant or licensee at least twenty days' written notice of the time and place of such hearing by [registered or] certified mail addressed to the principal place of business of such applicant or licensee. Any order of the commissioner denying or revoking such license shall state the grounds upon which it is based and shall not be effective until twenty days after written notice thereof has been sent by [registered or] certified mail to the applicant or licensee at such principal place of business.

Section 103. KRS 395.430 is amended to read as follows:

(1) Before any curator is appointed for an absent person under subsection (2) of KRS 395.410, a written application requesting the appointment shall be filed with the district court clerk. The application shall be verified and shall recite the fact of absence, the last known address of the absent person and the presence of property within this state or other ground requiring the appointment of a curator for the protection of the property or rights of the absent person. The application may be made by any relative, creditor or debtor of the absent person, or by any person in possession of or interested in any property or rights of the absent person.

(2) Upon the filing with the district court clerk of any such application, the clerk shall send by United States certified mail, return receipt requested [or by registered mail,] a letter addressed to the absent person at the last known address as given in the application, stating that such application has been filed. The clerk shall publish pursuant to KRS chapter 424 a notice to the effect that an application for the appointment of a curator has been made.

Section 104. KRS 407.470 is amended to read as follows:

If this state is acting either as a rendering or a registering state the county attorney shall represent the obligee upon the request of the court or an appropriate welfare official or state agency. If the county attorney neglects or refuses to represent the obligee, the attorney general may order him to comply or may undertake the representation.

(1) An obligee seeking to register a foreign support order in a court of this state shall transmit to the circuit clerk the following:

a. Three (3) certified copies of the order with all modifications thereof;

b. A copy of the reciprocal enforcement of support act of the state in which it was made; and

c. A verified statement, signed by the obligee, showing the post office address of the obligee, the last known place of residence and post office address of the obligor, the amount of support remaining unpaid, a description and the location of any property of the obligor available upon execution, and a list of the states in which the order is registered.

(2) Upon receipt of the documents required by subsection (1) of this section, the circuit clerk shall without payment of a fee or cost file them in the registry of foreign support orders. The filing constitutes registration under this chapter. Thereafter the circuit clerk shall send by certified [or registered] mail to the obligor notice of the registration with a copy of the registered support order and the post office address of the obligee.

(3) The obligor has twenty (20) days after the mailing of notice of the registration in which to petition the court to vacate the registration or for other relief. The registered foreign support order is confirmed if the obligor fails to petition the court.

Section 105. KRS 431.218 is amended to read as follows:

When a judgment sentencing the defendant to death has been affirmed, the mandate shall fix the day of the execution as the fifth Friday following the date of the mandate of the court. The clerk of the Supreme Court shall transmit either by special messenger, certified mail, return receipt requested [or by registered mail,] a certified copy of the mandate to the proper officer which shall be the authority of such officer to carry the mandate into effect. The officer receiving the copy shall report his action both to the governor and to the circuit court. If from any cause the execution does not take place on the day appointed in the mandate, the governor may from time to time appoint another day for execution until the sentence is carried into effect.

Section 106. KRS 440.450 is amended to read as follows:

The agreement on detainers is hereby enacted into law and entered into by the Commonwealth of Kentucky with all other jurisdictions legally joining therein in the form substantially as follows:

The contracting states solemnly agree that:

ARTICLE I

The party states find that charges outstanding against a prisoner, detainers based on untried indictments, informations or complaints, and difficulties in securing speedy trial of persons already incarcerated in other jurisdictions, produce uncertainties which obstruct programs of prisoner treatment and rehabilitation. Accordingly, it is the policy of the party states and the purpose of this agreement to encourage the expeditious and orderly disposition of such charges and determination of the proper status of any and all detainers based on untried indictments, informations or complaints. The party states also find that proceedings with reference to such charges and detainers, when emanating from another jurisdiction, cannot properly be had in the absence of cooperative procedures. It is the further purpose of this agreement to provide such cooperative procedures.

ARTICLE II

As used in this agreement:

(1) "State" shall mean a state of the United States; the United States of America; a territory or possession of the United States; the District of Columbia; the Commonwealth of Puerto Rico.

(2) "Sending state" shall mean a state in which a prisoner is incarcerated at the time that he initiates a request for final disposition pursuant to Article III hereof or at the time that a request for custody or availability is initiated pursuant to Article IV hereof.

(3) "Receiving state" shall mean the state in which trial is to be had on an indictment, information or complaint pursuant to Article III or Article IV hereof.

ARTICLE III

(1) Whenever a person has entered upon a term of imprisonment in a penal or correctional institution of a party state, and whenever during the continuance of the term of imprisonment there is pending in any other party state any untried indictment, information or complaint on the basis of which a detainer has been lodged against the prisoner, he shall be brought to trial within one hundred eighty days after he shall have caused to be delivered to the prosecuting officer and the appropriate court of the prosecuting officer's jurisdiction written notice of the place of his imprisonment and his request for a final disposition to be made of the indictment, information or complaint: provided that for good cause shown in open court, the prisoner or his counsel being present, the court having jurisdiction of the matter may grant any necessary or reasonable continuance. The request of the prisoner shall be accompanied by a certificate of the appropriate official having custody of the prisoner, stating the term of commitment under which the prisoner is being held, the time already served, the time remaining to be served on the sentence, the amount of good time earned, the time of parole eligibility of the prisoner, and any decisions of the state parole agency relating to the prisoner.

(2) The written notice and request for final disposition referred to in paragraph (1) hereof shall be given or sent by the prisoner to the warden, commissioner of corrections or other official having custody of him, who shall promptly forward it together with the certificate to the appropriate prosecuting official and court by [registered or] certified mail, return receipt requested.

(3) The warden, commissioner of corrections or other official having custody of the prisoner shall promptly inform him of the source and contents of any detainer lodged against him and shall also inform

him of his right to make a request for final disposition of the indictment, information or complaint on which the detainer is based.

(4) Any request for final disposition made by a prisoner pursuant to paragraph (1) hereof shall operate as a request for final disposition of all untried indictments, informations or complaints on the basis of which detainers have been lodged against the prisoner from the state to whose prosecuting official the request for final disposition is specifically directed. The warden, commissioner of corrections or other official having custody of the prisoner shall forthwith notify all appropriate prosecuting officers and courts in the several jurisdictions within the state to which the prisoner's request for final disposition is being sent of the proceeding being initiated by the prisoner. Any notification sent pursuant to this paragraph shall be accompanied by copies of the prisoner's written notice, request, and the certificate. If trial is not had on any indictment, information or complaint contemplated hereby prior to the return of the prisoner to the original place of imprisonment, such indictment, information or complaint shall not be of any further force or effect, and the court shall enter an order dismissing the same with prejudice.

(5) Any request for final disposition made by a prisoner pursuant to paragraph (1) hereof shall also be deemed to be a waiver of extradition with respect to any charge or proceeding contemplated thereby or included therein by reason of paragraph (4) hereof, and a waiver of extradition to the receiving state to serve any sentence there imposed upon him, after completion of his term of imprisonment in the sending state. The request for final disposition shall also constitute a consent by the prisoner to the production of his body in any court where his presence may be required in order to effectuate the purposes of this agreement and a further consent voluntarily to be returned to the original place of imprisonment in accordance with the provisions of this agreement. Nothing in this paragraph shall prevent the imposition of a concurrent sentence if otherwise permitted by law.

(6) Escape from custody by the prisoner subsequent to his execution of the request for final disposition referred to in paragraph (1) hereof shall void the request.

ARTICLE IV

(1) The appropriate officer of the jurisdiction in which an untried indictment, information or complaint is pending shall be entitled to have a prisoner against whom he has lodged a detainer and who is serving a term of imprisonment in any party state made available in accordance with Article V(1) hereof upon presentation of a written request for temporary custody or availability to the appropriate authorities of the state in which the prisoner is incarcerated: provided that the court having jurisdiction of such indictment, information or complaint shall have duly approved, recorded and transmitted the request: and provided further that there shall be a period of thirty days after receipt by the appropriate authorities before the request be honored, within which period the governor of the sending state may disapprove the request for temporary custody or availability, either upon his own motion or upon motion of the prisoner.

(2) Upon receipt of the officer's written request as provided in paragraph (1) hereof, the appropriate authorities having the prisoner in custody shall furnish the officer with a certificate stating the term of commitment under which the prisoner is being held, the time already served, the time remaining to be served on the sentence, the amount of good time earned, the time of parole eligibility of the prisoner, and any decisions of the state parole agency relating to the prisoner. Said authorities simultaneously shall furnish all other officers and appropriate courts in the receiving state who have lodged detainers against the prisoner with similar certificates and with notices informing them of the request for custody or availability and of the reasons therefor.

(3) In respect of any proceeding made possible by this Article, trial shall be commenced within one hundred twenty days of the arrival of the prisoner in the receiving state, but for good cause shown in open court, the prisoner or his counsel being present, the court having jurisdiction of the matter may grant any necessary or reasonable continuance.

(4) Nothing contained in this Article shall be construed to deprive any prisoner of any right which he may have to contest the legality of his delivery as provided in paragraph (1) hereof, but such delivery may not be opposed or denied on the ground that the executive authority of the sending state has not affirmatively consented to or ordered such delivery.

(5) If trial is not had on any indictment, information or complaint contemplated hereby prior to the prisoner's being returned to the original place of imprisonment pursuant to Article V(5) hereof, such indictment, information or complaint shall not be of any further force or effect, and the court shall enter an order dismissing the same with prejudice.

ARTICLE V

(1) In response to a request made under Article III or Article IV hereof, the appropriate authority in a sending state shall offer to deliver temporary custody of such prisoner to the appropriate authority in the state where such indictment, information or complaint is pending against such person in order that speedy and efficient prosecution may be had. If the request for final disposition is made by the prisoner, the offer of temporary custody shall accompany the written notice provided for in Article III of this agreement. In the case of a federal prisoner, the appropriate authority in the receiving state shall be entitled to temporary

custody as provided by this agreement or to the prisoner's presence in federal custody at the place for trial, whichever custodial arrangement may be approved by the custodian.

(2) The officer or other representative of a state accepting an offer of temporary custody shall present the following upon demand:

(a) Proper identification and evidence of his authority to act for the state into whose temporary custody the prisoner is to be given.

(b) A duly certified copy of the indictment, information or complaint on the basis of which the detainer has been lodged and on the basis of which the request for temporary custody of the prisoner has been made.

(3) If the appropriate authority shall refuse or fail to accept temporary custody of said person, or in the event that an action on the indictment, information or complaint on the basis of which the detainer has been lodged is not brought to trial within the period provided in Article III or Article IV hereof, the appropriate court of the jurisdiction where the indictment, information or complaint has been pending shall enter an order dismissing the same with prejudice, and any detainer based thereon shall cease to be of any force or effect.

(4) The temporary custody referred to in this agreement shall be only for the purpose of permitting prosecution on the charge or charges contained in one or more untried indictments, informations or complaints which form the basis of the detainer or detainers or for prosecution on any other charge or charges arising out of the same transaction. Except for his attendance at court and while being transported to or from any place at which his presence may be required, the prisoner shall be held in a suitable jail or other facility regularly used for persons awaiting prosecution.

(5) At the earliest practicable time consonant with the purposes of this agreement, the prisoner shall be returned to the sending state.

(6) During the continuance of temporary custody or while the prisoner is otherwise being made available for trial as required by this agreement, time being served on the sentence shall continue to run but good time shall be earned by the prisoner only if, and to the extent that, the law and practice of the jurisdiction which imposed the sentence may allow.

(7) For all purposes other than that for which temporary custody as provided in this agreement is exercised, the prisoner shall be deemed to remain in the custody of and subject to the jurisdiction of the sending state and any escape from temporary custody may be dealt with in the same manner as an escape from the original place of imprisonment or in any other manner permitted by law.

(8) From the time that a party state receives custody of a prisoner pursuant to this agreement until such prisoner is returned to the territory and custody of the sending state, the state in which the one or more untried indictments, informations or complaints are pending or in which trial is being had shall be responsible for the prisoner and shall also pay all costs of transporting, caring for, keeping and returning the prisoner. The provisions of this paragraph shall govern unless the states concerned shall have entered into a supplementary agreement providing for a different allocation of costs and responsibilities as between or among themselves. Nothing herein contained shall be construed to alter or affect any internal relationship among the departments, agencies and officers of and in the government of a party state, or between a party state and its subdivisions, as to the payment of costs, or responsibilities therefor.

ARTICLE VI

(1) In determining the duration and expiration dates of the time periods provided in Articles III and IV of this agreement, the running of said time periods shall be tolled whenever and for as long as the prisoner is unable to stand trial, as determined by the court having jurisdiction of the matter.

(2) No provision of this agreement, and no remedy made available by this agreement, shall apply to any person who is adjudged to be mentally ill.

ARTICLE VII

Each state party to this agreement shall designate an officer who, acting jointly with like officers of other party states, shall promulgate rules and regulations to carry out more effectively the terms and provisions of this agreement, and who shall provide, within and without the state, information necessary to the effective operation of this agreement.

ARTICLE VIII

This agreement shall enter into full force and effect as to a party state when such state has enacted the same into law. A state party to this agreement may withdraw herefrom by enacting a statute repealing the same. However, the withdrawal of any state shall not affect the status of any proceedings already initiated by inmates or by state officers at the time such withdrawal takes effect, nor shall it affect their rights in respect thereof.

ARTICLE IX

This agreement shall be liberally construed so as to effectuate its purposes. The provisions of this agreement shall be severable and if any phrase, clause, sentence or provision of this agreement is declared to be contrary to the constitution of any party state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this agreement and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this agreement shall be held contrary to the constitution of any state party hereto, the agreement shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters.

Section 107. KRS 454.210 is amended to read as follows:

(1) As used in this section, "person" includes an individual, his executor, administrator, or other personal representative, or a corporation, partnership, association, or any other legal or commercial entity, who is a nonresident of this Commonwealth.

(2) (a) A court may exercise personal jurisdiction over a person who acts directly or by an agent, as to a claim arising from the person's:

1. Transacting any business in this Commonwealth;

2. Contracting to supply services or goods in this Commonwealth;

3. Causing tortious injury by an act or omission in this Commonwealth;

4. Causing tortious injury in this Commonwealth by an act or omission outside this Commonwealth if he regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered in this Commonwealth, provided that the tortious injury occurring in this Commonwealth arises out of the doing or soliciting of business or a persistent course of conduct or derivation of substantial revenue within the Commonwealth;

5. Causing injury in this Commonwealth to any person by breach of warranty expressly or impliedly made in the sale of goods outside this Commonwealth when the seller knew such person would use, consume, or be affected by, the goods in this Commonwealth, if he also regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered in this Commonwealth;

6. Having an interest in, using, or possessing real property in this Commonwealth, providing the claim arises from the interest in, use of, or possession of the real property, provided, however, that such in personam jurisdiction shall not be imposed on a nonresident who did not himself voluntarily institute the relationship, and did not knowingly perform, or fail to perform, the act or acts upon which jurisdiction is predicated;

7. Contracting to insure any person, property, or risk located within this Commonwealth at the time of contracting.

8. Committing sexual intercourse in this state which intercourse causes the birth of a child when:

a. The father or mother or both are domiciled in this state, or

b. There is a repeated pattern of intercourse between the father and mother in this state, or

c. Said intercourse is a tort or a crime in this state.

(b) When jurisdiction over a person is based solely upon this section, only a claim arising from acts enumerated in this section may be asserted against him.

(3) (a) When personal jurisdiction is authorized by this section, service of process may be made on such person, or any agent of such person, in any county in this Commonwealth, where he may be found, or on the secretary of state who, for this purpose, shall be deemed to be the statutory agent of such person.

(b) The clerk of the court in which the action is brought shall issue a summons against the defendant named in the complaint and direct it to the sheriff of Franklin County. The sheriff shall execute the summons by delivering a true copy to the secretary of state and shall also deliver with the summons an attested copy of plaintiff's complaint. The secretary of state shall immediately mail the copy of the summons and complaint to the defendant at the address given in the complaint. The letter shall be posted by [prepaid registered mail or by] certified mail, return receipt requested and shall bear the return address of the secretary of state. The sheriff shall make the usual return to the court, and in addition the secretary of state shall make a return to the court showing that the acts contemplated by this statute have been performed, and shall attach to his return the registry receipt, if any. Summons shall be deemed to be served on the return of the secretary of state and the action shall proceed as provided in the Rules of Civil Procedure.

(c) The sheriff serving the summons upon the secretary of state shall pay to him, at the time of service, a fee of four dollars, which shall be taxed as costs in the action.

(4) When the exercise of personal jurisdiction is authorized by this section, any action or suit may be brought in the county wherein the plaintiff resides or where the cause of action or any part thereof arose.

(5) A court of this Commonwealth may exercise jurisdiction on any other basis authorized in the Kentucky Revised Statutes or by the Rules of Civil Procedure, notwithstanding this section.

Section 108. KRS 454.270 is amended to read as follows:

(1) Any nonresident operator or owner of any watercraft who accepts the privilege extended by the laws of this state to nonresidents to operate watercraft or have them operated within state shall, by such acceptance and by the operation of such watercraft within this state, make the secretary of state the agent of himself or his personal representative for the service of process in any civil action instituted in the courts

of this state against the operator or owner, or the personal representative of the operator or owner, arising out of or by reason of any accident or collision or damage occurring within this state in which the watercraft is involved.

(2) The clerk of the court in which the action is brought shall issue a summons against the defendant named in the complaint and direct it to the sheriff of Franklin County. The sheriff shall execute the summons by delivering a true copy to the secretary of state and shall also deliver with the summons an attested copy of plaintiff's complaint. The secretary of state shall immediately mail the copy of the summons and complaint to the defendant at the address given in the complaint. The letter shall be posted by prepaid certified mail, return receipt requested [or by registered mail] and shall bear the return address of the secretary of state. The sheriff shall make the usual return to the court, and in addition the secretary of state shall make a return to the court showing that the acts contemplated by this statute have been performed, and shall attach to his return the registry receipt, if any. Summons shall be deemed to be served on the return of the secretary of state and the action shall proceed as provided in the Rules of Civil Procedure.

(3) The sheriff serving the summons upon the Secretary of State shall pay to him, at the time of service, a fee of two dollars, which shall be taxed as costs in the action. The secretary shall keep a record of each summons, including the day and hour of service upon him.

(4) The court in which the action is pending may order such continuances as may be necessary to afford the defendant reasonable opportunity to appear and defend the action.

(5) This chapter extends the right of service of process upon nonresidents, and does not limit any other provisions for the service of process.

(6) The provisions of this chapter shall apply to any operator or owner of any water craft who is a resident of this state at the time any accident or collision or damage occurs and who thereafter becomes a nonresident.

Section 109. KRS 12.141, Certified mail, use by state in lieu of registered mail, is repealed.

SB 108, AN ACT relating to state administered public retirement systems.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A bill which would increase the benefits or increase participation in the benefits or change the financial liability of any public retirement system administered by an agency of state government shall not be reported from a legislative committee of either house of the general assembly for consideration by the full membership of that house unless the bill is accompanied by an actuarial analysis.

(2) An actuarial analysis required by this section must show the economic effect of the bill on the public retirement system, including a projection of the annual cost to the system of implementing the legislation for at least ten (10) years. If a bill proposes to increase benefits, increase benefit participation, or provide liability assumption for more than one (1) public retirement system, the actuarial analysis shall project costs for each affected state administered public retirement system. An actuarial analysis shall state the actuarial assumptions and methods of computation used in the analysis and shall state whether or not the bill or resolution, if enacted, would, in the opinion of the actuary, make the affected public retirement system actuarially unsound or, in the case of a system already actuarially unsound, more unsound. An advanced funding actuarial cost method shall be used in all cost projections.

(b) An actuarial analysis required by this section shall be prepared by an actuary who is a fellow of the society of actuaries, a member of the American academy of actuaries, or an enrolled actuary under the employes' retirement income security act of 1974.

(3) An actuary commissioned to make an actuarial study that is required by this section, or for the purpose of seeking appropriations for a public retirement system administered by an agency of state government, shall include in the study a complete definition of each actuarial term used in the study and, either in the study or in a separate report made available as a public record, an enumeration and explanation of each actuarial assumption used in the valuation made for the study.

Section 2. KRS 21.440 is amended to read as follows:

The judicial retirement board shall:

(1) Be charged with the administration of KRS 21.350 to 21.510, and for that purpose may make reasonable rules and regulations;

(2) Provide for the funding of the benefits provided for by KRS 21.350 to 21.510, including the adoption of actuarial methods and assumptions upon the advice of a competent actuary who may be employed for that purpose. *At least once in every two (2) year period the board shall procure an actuarial valuation*

of the judicial retirement system. The valuation shall include a description of the actuarial assumptions used, and such assumptions shall be reasonably related to the experience of the system and represent the actuary's best estimate of anticipated experience. A copy of the valuation shall be forwarded to the legislative research commission within ten (10) days of receipt by the board;

(3) Pass upon questions of eligibility, and maintain suitable records for that purpose;

(4) Pass upon questions of disability, and employ examining physicians for that purpose;

(5)(a) Annually procure an audit of the judicial retirement system. The audit shall be conducted in accordance with generally accepted auditing standards. The board may select an independent certified public accountant or the auditor of public accounts to perform the audit. If the audit is performed by an independent certified public accountant, the auditor of public accounts shall not be required to perform an audit pursuant to KRS 43.050(2)(a), but may perform an audit at his discretion;

(b) The board shall make copies of the audit required by this section available for examination by any member or beneficiary in the office of the manager of the judicial retirement system and in such other places as may be necessary to make the audit available to all members and beneficiaries. A copy of the annual audit shall be sent to the legislative research commission within ten (10) days of receipt by the board.

Section 3. KRS 161.400 is amended to read as follows:

(1) The board of trustees shall designate as actuary a competent person who shall be a fellow of the conference of actuaries in public practice or a member of the American academy of actuaries. He shall be the technical adviser of the board on matters regarding the operation of the funds of the system and shall perform such other duties as are required in connection therewith. At least once in each six (6) year period after the first year of operation of the system the actuary shall make an actuarial investigation into the *actuarial assumptions used, including but not limited to* mortality, earnable interest and service and compensation of the members and beneficiaries of the retirement system, make a valuation of the assets and liabilities of the funds of the system and recommend to the board of trustees such changes as may be deemed necessary to keep the retirement system on a sound financial basis. On the basis of the results of such investigations the board of trustees shall make necessary changes in the retirement system within the provisions of law and shall recommend the contributions payable by the state within the limits specified in KRS 161.550. At least once in each two (2) year period the actuary shall make an actuarial valuation of the retirement system. *The valuation shall include a description of the actuarial assumptions used, and such assumptions shall be reasonably related to the experience of the system and represent the actuary's best estimate of anticipated experience.*

(2) Actuarial factors in use by the retirement system for all purposes shall be determined by the actuary of the retirement system and approved by the board of trustees.

(3) A copy of each actuarial investigation and valuation shall be forwarded to the legislative research commission no later than ten (10) days after receipt by the board.

Section 4. KRS 61.565 is amended to read as follows:

(1) Each employer participating in the state police retirement system as provided for in KRS 16.505 to 16.652, and each employer participating in the county employes retirement system as provided for in KRS 78.510 to 78.852 and each employer participating in the Kentucky employes retirement system as provided for in KRS 61.510 to 61.692 shall contribute annually to the respective retirement system an amount equal to the per cent as computed under subsection (2) of this section of the creditable compensation of its employes, to be known as the "normal contributions," and an additional amount equal to one per cent (1%) of unfunded past service liabilities, plus annual interest accruing thereon at the actuarially assumed rate of interest adopted by the board to be known as the "past service contribution."

(2) The normal contribution rate shall be determined by the entry age normal cost funding method. The past service liability shall be determined by actuarial method consistent with the methods prescribed for determining the normal contribution rate. Normal contributions and the past service liability contribution shall be determined on actuarial bases adopted by the board.

(3) Normal contribution and the past service contribution rates shall be determined by the board on the basis of the annual actuarial valuation last preceding the July 1 of a new biennium.

(4) The board shall advise each employer prior to the beginning of each biennium of any change in the employer contribution rate. Based on the employer contribution rate, each employer shall include in the budget sufficient funds to pay the employer contributions as determined by the board under subsections (1) to (3) of this section [and a copy of such valuation shall be filed with the legislative research commission within ten (10) days of receipt thereof].

Section 5. KRS 61.670 is amended to read as follows:

(1) As soon as practicable after its organization, the board shall adopt such actuarial tables as are necessary for the administration of the system and for the annual determination of assets and liabilities of the system. The board shall cause an actuarial valuation to be made annually. *The valuation shall include a description of the actuarial assumptions used, and such assumptions shall be reasonably related to the*

experience of the system and represent the actuary's best estimate of anticipated experience. [and] At least once in each ten (10) year period the board shall cause an actuarial investigation to be made of all the experience under the retirement system. Pursuant to such investigation the board shall, from time to time, revise the actuarial tables previously adopted by the board and shall thereupon revise the bases of the rates of contributions required under KRS 61.510 to 61.692 and 16.505 to 16.652 and 78.510 to 78.852. All such investigations and valuations must be certified to the board by a fellow of the Society of Actuaries.

(2) A copy of each ten (10) year actuarial investigation and annual valuation shall be forwarded to the legislative research commission. The annual valuation shall be forwarded no later than ten (10) days after receipt by the board.

SECTION 6. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

The state, by appropriation to the judicial retirement board, shall contribute annually to the judicial retirement system an amount equal to the percent as computed under subsection (2) of this section of the creditable compensation of active members of the judicial retirement system, to be known as the "normal contributions," and an additional amount equal to one percent (1%) of the unfunded past service liabilities, plus annual interest accruing thereon at the actuarially assumed rate of interest adopted by the board to be known as the "past service contribution."

(2) The normal contribution rate shall be determined by the entry age normal cost funding method. The past service liability shall be determined by actuarial methods consistent with the methods prescribed for determining the normal contribution rate. Normal contributions and the past service liability contribution shall be determined on actuarial bases adopted by the board.

(3) Normal contributions and the past service contribution rates shall be determined by the board on the basis of the actuarial valuation last preceding the July 1 of a new biennium.

Section 7. KRS 161.370 is amended to read as follows:

(1) The state treasurer, the auditor of public accounts and the attorney general shall be treasurer, auditor and legal adviser, respectively, of the board of trustees, and shall be liable upon their official bonds for the faithful performance of such duties. They shall serve without compensation. When the board of trustees deems it for the best interests of the retirement system, it may employ attorneys [and auditors] and pay reasonable fees for the services rendered.

(2) The board shall annually procure an audit of the teachers' retirement system. The audit shall be conducted in accordance with generally accepted auditing standards. The board may select an independent certified public accountant and pay reasonable fees for the services rendered. If the audit is performed by an independent certified public accountant, the auditor of public accounts shall not be required to perform an audit pursuant to KRS 43.050(2)(a), but may perform an audit at his discretion.

(3) The board shall make copies of the audit required by this section available for examination by any active contributing member or annuitant in the office of the executive secretary of the teachers' retirement system and in such other places as may be necessary to make the audit available to all active contributing members and annuitants. A copy of the annual audit shall be sent to the legislative research commission no later than ten (10) days after receipt by the board.

Section 8. KRS 61.645 is amended to read as follows:

(1) The system shall be administered by the board of trustees of the Kentucky retirement systems composed of nine (9) members, who shall be selected as follows:

(a) The commissioner of personnel shall serve as trustee for as long as he occupies the position of commissioner under KRS 18.160 except as provided under subsections (5) and (6) of this section;

(b) Two (2) trustees, who must be members or retired from the county employes retirement system, elected by the members of the county employes retirement system;

(c) One (1) trustee, who must be a member or retired from the state police retirement system, elected by the members of the state police retirement system;

(d) Two (2) trustees, who must be members or retired from the Kentucky employes retirement system, elected by the members of the Kentucky employes retirement system;

(e) Three (3) trustees appointed by the governor of the commonwealth.

(2) The board is hereby granted the powers and privileges of a corporation including, but not limited to the following powers:

(a) To sue and be sued in its corporate name;

(b) To make bylaws not inconsistent with the law;

(c) To conduct the business and promote the purposes for which it was formed;

(d) To contract for investment counseling, actuarial, auditing and other professional services as its statutory purpose may require without limitations of KRS Chapter 45A;

(e) To acquire, hold, sell, dispose of, pledge, lease or mortgage any such property as its purpose may require, notwithstanding the limitations of KRS chapters 45 and 56 provided however, that the board is not authorized to construct a building; and

(f) The board shall reimburse any trustee or officer for any legal expense resulting from a civil action arising out of the performance of his official duties.

(3) (a) Notwithstanding the provisions of subsection (1) of this section, each trustee shall serve a term of four (4) years or until his successor is duly qualified except as otherwise provided in this section.

(b) The trustee to be elected by the members of the county employes retirement system who replaces the attorney general on the board shall have an initial term expiring on March 31, 1977 and nominations for this position and the election process shall take place within ninety (90) days after March 26, 1974, with the attorney general serving until such elected member has been duly qualified and administered the oath of office.

(c) The term of office of the trustee elected by the membership of the Kentucky employes retirement system which now expires on December 10, 1975 shall be succeeded by a term expiring on March 31, 1978.

(4) (a) The trustees selected by the membership of each of the various retirement systems shall be elected by ballot. For each trustee to be elected the board shall nominate not less than six (6) months before a term of office of a trustee is due to expire at least three (3) constitutionally eligible individuals.

(b) Individuals may be nominated by the retirement system members which are to elect the trustee by presenting to the general manager not less than four (4) months before a term of office of a trustee is due to expire, a petition, bearing the name, social security number, and signature of no less than one-tenth (1/10) of the number voting in the last election by said retirement system members.

(c) Within three (3) months of the nominations made in accordance with paragraphs (a) and (b) of this subsection, the general manager shall cause to be prepared an official ballot. The ballot shall carry the name, address, and position title of each individual nominated by the board and by petition. Provisions shall also be made for write-in votes.

(d) The ballots shall be distributed to the eligible voters by mail to their last known residence address.

(e) The ballots shall be addressed to the tabulating committee in care of a predetermined box number at the United States Post Office, Frankfort, Kentucky. Access to this post-office box shall be limited to the tabulating committee consisting of three (3) discreet persons appointed by the general manager to count the ballots and tabulate the votes. The individual receiving a plurality of votes shall be declared elected.

(f) The eligible voter shall cast his ballot by checking a square opposite the name of the candidate of his choice. He shall record his social security number, sign, and mail the ballot at least thirty (30) days prior to the date the term to be filled is due to expire. The latest mailing date shall be printed on the ballot.

(g) The tabulating committee shall report in writing the outcome to the chairman of the board of trustees. Cost of an election shall be payable from the funds of the system for which the trustee is elected.

(5) Any vacancy which may occur in an appointed position shall be filled in the same manner which provides for the selection of the particular trustee, and any vacancy which may occur in an elected position shall be filled by appointment by a majority vote of the remaining trustees, and should the commissioner of personnel resign his position as trustee it shall be filled by appointment made by the governor; however, any vacancy shall be filled only for the duration of the unexpired term.

(6) Membership on the board of trustees shall not be incompatible with any other office unless a constitutional incompatibility exists. No trustee may serve in more than one (1) position as trustee on the board and should a trustee be in more than one (1) position as trustee on the board, he is hereby permitted a choice of resigning any position. No trustee shall be subject to removal from office except upon conviction of a felony, or of a misdemeanor involving moral turpitude.

(7) Trustees who do not otherwise receive a salary from the state treasury shall receive a per diem of sixty dollars ($60.00) for each day they are in session or on official duty, and they shall be reimbursed for their actual and necessary expenses in accordance with normal state regulations and standards.

(8) The board shall meet at least once in each quarter of the year and may meet in special session upon the call of the chairman or the general manager. It shall elect a chairman and a vice-chairman. A majority of the trustees shall constitute a quorum, and all actions taken by the board shall be by affirmative vote of a majority of the trustees present.

(9) The board shall:

(a) Appoint or contract for the services of a general manager, and fix his compensation without limitation by the provisions of KRS Chapter 18 and KRS 64.640. The general manager shall be the chief administrative officer of the board;

(b) Appoint such other employes as it deems necessary and fix the compensation for all employes of the board, subject to the approval of the commissioner of personnel;

(c) Require the general manager and such employes as it thinks proper to execute bonds for the faithful performance of their duties notwithstanding the limitations of KRS Chapter 62;

(d) Establish a system of accounting; and

(e) Do all things, take all actions and make all rules and regulations, not inconsistent with the provisions of KRS 61.510 to 61.692 and 16.510 to 16.652 and 78.510 to 78.852, that it deems necessary or proper in order to carry out the provisions of KRS 61.510 to 61.692 and 16.510 to 16.652 and 78.510 to 78.852.

(10) All employes of said board shall serve during its will and pleasure.

(11) The attorney general, or an assistant designated by him, may attend each meeting of the board and shall receive the agenda, board minutes and other information distributed to trustees of the board and the attorney general may act as legal adviser and attorney for the board and the board is hereby authorized to contract for legal services notwithstanding the limitations of KRS chapter 12.

(12) The board shall prepare and publish an annual financial report showing all receipts, disbursements, assets and liabilities. *The annual report shall include a copy of an audit conducted in accordance with generally accepted auditing standards. The board may select an independent certified public accountant or the auditor of public accounts to perform the audit. If the audit is performed by an independent certified public accountant, the auditor of public accounts shall not be required to perform an audit pursuant to KRS 43.050(2)(a), but may perform an audit at his discretion.* All [its] proceedings and records *of the board* shall be open for inspection by the public. *The board shall make copies of the audit required by this subsection available for examination by any member, retiree or beneficiary in the office of the general manager of the Kentucky retirement systems and in such other places as may be necessary to make the audit available to all members, retirees and beneficiaries. A copy of the annual audit shall be sent to the legislative research commission no later than ten (10) days after receipt by the board.*

(13) All expenses incurred by or on behalf of the board in the administration of the system during a fiscal year shall be paid from the retirement allowance account. The expenses incurred by the board in the administration of the system during any fiscal year shall not exceed two per cent (2%) of the total employer and member contributions during such fiscal year.

(14) Any person adversely affected by a decision of the board involving KRS 16.510 to 16.652 and 61.510 to 61.692 and 78.510 to 78.852, may appeal the decision of the board to the Franklin circuit court.

Section 9. KRS 21.450 is amended to read as follows:

(1) The benefits provided by KRS 21.350 to 21.510 to be paid shall be funded through contract with a reputable life insurance company authorized to do business in this state, or through investment and reinvestment of funds in securities which, at the time of making the investment, are by law permitted for the investment of funds by fiduciaries in this state, or through a combination of such methods. To the extent that funding is provided through insurance contract, no contributions, payments or premiums shall be subject to any tax on insurance premiums or annuity considerations. The judicial retirement board shall be trustee of any and all funds contributed or appropriated to the retirement system, and shall have sole authority to make insurance contracts or investments.

(2) The board members or any investment adviser shall discharge their duties with respect to the funds of the retirement system solely in the interest of the members and beneficiaries and:

(a) For the exclusive purposes of providing benefits to members and their beneficiaries and defraying reasonable expenses of administering the plan;

(b) With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and

(c) In accordance with the laws, regulations and other instruments governing the funds.

Section 10. KRS 161.430 is amended to read as follows:

(1) The board of trustees shall be the trustee of the funds of the retirement system and shall have full power and responsibility for the purchase, sale, exchange, transfer or other disposition of the investments and moneys of the retirement system. *The board may invest in securities which, at the time of making the investment, are, by law, permitted for the investment of funds by fiduciaries in this state, except that the board may at its discretion purchase common stocks in corporations that do not have a record of paying dividends to their stockholders.* The board shall employ an experienced competent investment counselor to advise it on all matters pertaining to investment. The board may appoint an investment committee consisting of the executive secretary and two trustees to act for the board in all matters of investment subject to the approval of the board of trustees. The board of trustees in keeping with their responsibilities as trustees and wherever *consistent with their fiduciary responsibilities* [feasible] shall give priority to the investment of funds in obligations calculated to improve the industrial development and enhance the economic welfare of the Commonwealth.

(2) The board members and investment counselor shall discharge their duties with respect to the assets of the system solely in the interests of the active contributing members and annuitants and:

(a) For the exclusive purpose of providing benefits to members and annuitants and defraying reasonable expenses of administering the system;

(b) With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(c) In accordance with the laws, regulations and other instruments governing the system.

(3) (a) In choosing and contracting for professional investment management services the board must do so prudently and in the interest of the members and annuitants. Any contract that the board makes with

an investment counselor shall set forth policies and guidelines of the board with reference to standard rating services and specific criteria for determining the quality of investments.

(b) An investment counselor appointed under this section shall acknowledge in writing his fiduciary responsibilities to the fund. To be eligible for appointment, and investment counselor must be:

1. Registered under the federal investment advisors act of 1940; or

2. A bank as defined by that act; or

3. An insurance company qualified to peform investment services under the laws of more than one (1) state.

(4) Not more than twenty-five percent (25%) of any one (1) issue may be purchased as an investment and not more than seven percent (7%) of the invested funds of the system may be invested in the securities of any issuer except in the case of obligations of the United States government. No investment may be made in the obligation of any issuer which has been in default of any of its bonds or interest during a period of the last ten (10) years immediately preceding the purchase.

(5) (a) There shall be no limit on investments in bonds, notes, and other obligations of or guaranteed by the United States government, or those for which the credit of the United States government is pledged for the payment of the principal and interest thereof, and any bonds, notes, debentures, or any other obligations or securities issued or generated by any federal government agency, presently or in the future establishment by an Act of Congress, and as amended or supplemented from time to time;

(b) Except as provided in subsection (a) of this section, no more than seventy-five percent (75%) of the assets of the system may be invested in obligations consisting of bonds, notes, debentures, equipment trust certificates, conditional sales agreements, or other fixed obligations in any form. Purchase of any of the above shall be limited to those which are the direct obligation or are secured by direct obligation, of a corporation organized under the laws of the United States, or any state in the United States, or District of Columbia or are secured by first mortgages in the case of equipment trust certificates and conditional sales agreements. Such bonds or other obligations must be rated at the time of purchase within the three (3) highest classifications established by one (1) or more major rating services, or if not rated, must be certified in writing by one (1) or more such services to be of investment quality equivalent to, or higher than, the quality of bonds rated in the third highest investment classification;

(c) No more than forty percent (40%) of the assets of the system may be invested in common or preferred stocks, issued or guaranteed by a corporation created or existing under the laws of the United States or any state thereof;

(d) No more than ten percent (10%) of the assets of the system may be invested in real estate, real estate lease agreements, first mortgages on real estate, or shares of beneficial interest in real estate investment trusts established under the laws of the United States or any state thereof;

(e) No more than ten percent (10%) of the assets of the system may be invested in any one (1) category of additional types of investment that are established by regulations by the board of trustees. [No investments shall be made except upon the exercise of bona fide discretion, in securities which, at the time of making the investments, are included in the following defined categories of securities:

(a) Bonds, notes and other obligations of or guaranteed by the United States, or those for which the credit of the United States is pledged for the payment of the principal and interest thereof, and any bonds, notes, debentures, or any other obligations or securities issued or guaranteed by any federal government agency, presently or in the future established by an Act of Congress, and as amended or supplemented from time to time;

(b) Obligations of the Commonwealth of Kentucky and obligations of its departments and agencies, including revenue bonds;

(c) Obligations of any city of the first, second, third, fourth, or fifth classes of the Commonwealth of Kentucky, or county containing such city, for the payment of principal and interest on which the full faith and credit of the issuing body is pledged;

(d) School improvement bonds issued in accordance with authority granted under KRS 162.080 to 162.100;

(e) School building revenue bonds issued in accordance with authority granted under KRS 162.120 to 162.300, and any act or acts passed in the 1960 session of the general assembly providing for the issuance of school building revenue bonds, provided the issuance of such bonds is approved by the state department of education;

(f) Revenue bonds issued by education institutions of the Commonwealth of Kentucky as authorized by KRS 162.340 to 162.380;

(g) Public utility revenue bonds issued by any city of the first, second, third, fourth, or fifth classes, or by a county containing such a city, or by a special taxing district located within such city or county in the Commonwealth, provided: 1. the net income from such public utility property available for the payment of such securities for the five fiscal years next preceding any such investment, shall have averaged at least 1 1/10 times all debt service requirements for principal, interest and sinking fund of all revenue securities payable only out of the revenues from such property during each of such fiscal years, and 2. the issuer of the securities covenants and is obligated to maintain rates to produce revenues or will receive contract payments, either or both of which will be sufficient to meet cost of operation, taxes and all debt service requirements and such obligation or contract is legally enforceable;

(h) Obligations, consisting of notes, bonds, debentures, equipment trust certificates, or conditional sales agreements. Purchase of any of the above shall be limited to those which are the direct obligation or are secured by direct obligation, of a corporation organized under the laws of the United States, or any state in the United States, or the District of Columbia or are secured by first mortgage indentures in the case of equipment trust certificates and/or conditional sales agreements. Such bonds or other obligations must be rated at the time of purchase within the three highest classifications established by one or more major rating services;

(i) Deposits in banks or trust companies in the Commonwealth of Kentucky organized under the laws of this state, or of the United States, when such deposits are interest bearing at a rate not lower than four percent per annum and when such deposits are fully secured by direct obligations of the United States government or of the Commonwealth of Kentucky, placed in the hands of the state treasurer and approved by the board of trustees;

(j) Stocks, preferred or common, issued or guaranteed by a corporation created or existing under the laws of the United States or any state thereof;

(k) Mutual-type funds established and controlled by any organization which may be formed by the Kentucky teachers' retirement system and other state retirement systems of Kentucky and other southern states for the mutual investment of funds in Kentucky or the southern regional area;

(l) Real estate, first mortgages on real estate, or shares of beneficial interest in real estate investment trusts established under the laws of the United States or any state thereof;

(m) Industrial revenue bonds issued under authority of KRS 103.200 to 103.280; provided, however, the lease for the building between the city and the leasing corporation is for a period equal to or greater than the period for which the bonds are issued and the rental payments are sufficient to amortize all the bonds issued, and further provided that:

1. The common stock of the leasing corporation shall be listed on either the New York Stock Exchange or the American Stock Exchange.

2. In each of the last three reporting years prior to the issuance of the bonds the income before taxes of the leasing corporation must have been equal to at least twice the maximum lease requirements under the lease agreement.

3. The current assets of the leasing corporation at the end of each of the last three reporting years prior to the issuance of the bonds must have been at least 150 percent of the current liabilities at those given periods.

4. The net worth of the leasing corporation at the end of the last reporting period must be at least twice the amount of the proposed bond issue under the lease agreement.

5. The net working capital of the leasing corporation at the end of the most recent reporting year must have been at least fifteen million dollars;

(n) Obligations of the Kentucky industrial development authority;

(o) Appropriate contracts of life insurance companies duly authorized and licensed to do business in the State of Kentucky, including any such contract or contracts which provide for the placement of funds in a separate account maintained by any such insurer according to the sections of the Kentucky Revised Statutes controlling such accounts;

(p) Bonds and indentures issued by international organizations established under treaties or agreements approved and ratified by the Congress of the United States and to which the government of the United States is a major contributor of funds.

(2) (a) Not more than twenty-five percent of any one issue may be purchased by the board of trustees as an investment, and not more than five percent of the invested funds of the retirement system may be invested in the obligations of any issuer except in the case of obligations of the United States government; provided that not more than ten percent of the invested funds may be invested in an issue of the Commonwealth of Kentucky or its departments or agencies as defined in this subsection. For the purpose of this subsection revenue bond obligations of the Commonwealth of Kentucky or its departments or agencies shall not be deemed to be obligations of the same obligor if the revenues pledged are derived from separate projects. No investment may be made in the obligation of any issuer which has been in default of any of its bonds or interest during a period of the last ten years immediately preceding the purchase.

(b) No more than seventy-five percent of the assets of the retirement system may be invested in the foregoing classification subsection (1)(h): no more than twenty percent of said assets may be invested in any of the foregoing classifications subsections (1)(b), (1)(c), (1)(d), (1)(e), (1)(f), and (1)(g); no more than forty percent (40%) of said assets may be invested in the foregoing classification subsection (1)(j); and no more than ten percent (10%) of said assets may be invested in any one of the foregoing classifications subsections (1)(i), (1)(k), (1)(l), (1)(m), (1)(n), (1)(o), and (1)(p).]

(6)[(3)] No investment or disbursement of funds shall be made unless authorized by the board of trustees.

Section 11. KRS 61.650 is amended to read as follows:

(1) The board shall be the trustee of the several funds created by KRS 61.510 to 61.692 and shall have full power to invest and reinvest such funds, subject to the limitations that no investments shall be made except [upon the exercise of bona fide discretion,] in securities which, at the time of making the investment, are, by law, permitted for the investment of funds by fiduciaries in this state, except that the board may at its discretion purchase common stocks in corporations that do not have a record of paying dividends to their stockholders.

Subject to such limitations, the board shall have full power to hold, purchase, sell, assign, transfer or dispose of, any of the securities or investments in which any of the funds created herein have been invested, as well as of the proceeds of such investments and any moneys belonging to such funds. *The board members or any investment manager shall discharge their duties with respect to the assets of the several funds solely in the interest of the members and beneficiaries and:*

(a) For the exclusive purposes of providing benefits to members and their beneficiaries and defraying reasonable expenses of administering the plan;

(b) With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(c) In accordance with the laws, regulations and other instruments governing the several funds.

(2) All registered securities acquired under authority of KRS 61.510 to 61.692 shall be registered in the name "Kentucky employes retirement system of the commonwealth of Kentucky" or nominee name as provided by KRS 287.225 and every change in registration, by reason of sale or assignment of such securities, shall be accomplished by the signatures of the chairman or a trustee appointed by the chairman and the general manager of the board of trustees.

(3) The board, in keeping with its responsibility as trustee and wherever *consistent with its fiduciary responsibilities* [feasible], shall give priority to the investment of funds in obligation calculated to improve the industrial development and enhance the economic welfare of the commonwealth.

Section 12. KRS 61.540 is amended to read as follows:

(1) Under such rules and regulations as are adopted by the board, each member and each employer shall file with the board, in such form as the board may prescribe, a statement of the facts pertaining to the member and such other information as the board may require. Until such statement is filed, no member or his beneficiary shall be eligible to receive any benefits under KRS 61.510 to 61.692 and 78.510 to 78.852.

(2) The board shall prepare and furnish to all members a summary plan description, written in a manner calculated to be understood by the average member or beneficiary, and sufficiently accurate and comprehensive to reasonably apprise them of their rights and obligations under the provisions of KRS 16.505 to 16.652, 61.510 to 61.692 and 78.510 to 78.852.

(3) The summary plan description shall include:

(a) The name of the retirement system, the name and address of the general manager, and the name, address and title of each member of the board of trustees;

(b) The name and address of the person designated for the service of legal process;

(c) The systems' requirements for participation and benefits;

(d) A description of retirement formulas for normal, early and disability retirement, and survivor benefits;

(e) A description of the requirements for vesting of pension benefits;

(f) A list of circumstances which would result in disqualification, ineligibility, or denial or loss of benefits;

(g) The sources of financing retirement benefits, and statutory requirements for funding;

(h) A statement after each actuarial valuation as to whether funding requirements are being met;

(i) The procedures to be followed in presenting claims for benefits under the plan, and the remedies available under the plan for the redress of claims which are denied in whole or in part.

(4) The board may publish the summary plan description in the form of a comprehensive pamphlet or booklet, or in the form of periodic newsletters which shall incorporate all the information required in the summary plan description within a period of two (2) years. Any changes in statutory requirements or administrative practices which alter the provisions of the plan as described in the summary plan description shall be summarized as required in subsection (2) of this section and furnished to members in the form of a supplement to a comprehensive booklet, or reported in the periodic newsletter.

(5) The board shall provide to retirees and beneficiaries so much of the summary plan description as they need to understand any changes in benefits which apply to them.

Section 13. KRS 161.580 is amended to read as follows:

(1) The board of trustees shall provide for the maintenance of an individual account for each member showing the amount of the member's contribution and interest accumulations. Such individual accounts shall

be identified in the records of the system by name, date of birth, and social security number. It shall collect and keep in convenient form such data as is necessary for the preparation of the required mortality and service tables and for the compilation of such other information as is required for the actuarial valuation of the assets and liabilities of the various funds of the retirement system.

(2) The board shall prepare and furnish to all active contributing members a summary plan description, written in a manner calculated to be understood by the average member or annuitant, and sufficiently accurate and comprehensive to reasonably apprise them of their rights and obligations under the teachers' retirement system.

(3) The summary plan description shall include:

(a) The name of the retirement system, the name and address of the executive secretary, and the name, address and title of each member of the board of trustees;

(b) The name and address of the person designated for the service of legal process;

(c) The system's requirements for participation and benefits;

(d) A description of retirement formulas for normal, early and disability retirement, and survivor benefits;

(e) A description of the requirements for vesting of pension benefits;

(f) A list of circumstances which would result in disqualification, ineligibility, or denial or loss of benefits;

(g) The sources of financing retirement benefits, and statutory requirements for funding;

(h) A statement after each actuarial valuation as to whether funding requirements are being met;

(i) The procedures to be followed in presenting claims for benefits under the plan, and the remedies available under the plan for the redress of claims which are denied in whole or in part.

(4) The board may publish the summary plan description in the form of a comprehensive pamphlet or booklet, or in the form of periodic newsletters which shall incorporate all the information required in the summary plan description within a period of two (2) years. Any changes in statutory requirements or administrative practices which alter the provisions of the plan as described in the summary plan description shall be summarized as required in subsection (2) of this section and furnished to active contributing members in the form of a supplement to a comprehensive booklet, or reported in the periodic newsletter.

(5) The board shall provide to annuitants so much of the summary plan description as they need to understand changes in benefits which apply to them.

SECTION 14. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

(1) The judicial retirement board shall prepare and furnish to all active members a summary plan description, written in a manner calculated to be understood by the members and beneficiaries, and sufficiently accurate and comprehensive to reasonably apprise them of their rights and obligations under the judicial retirement system.

(2) The summary plan description shall include:

(a) The name and address of the retirement system, the name of the manager, and the name and address of each member of the judicial retirement board;

(b) The name and address of the person designated for the service of legal process;

(c) The system's requirements for participation and benefits;

(d) A description of retirement formulas for normal, early and disability retirement, and survivor benefits;

(e) A description of the requirements for vesting of pension benefits;

(f) A list of circumstances which would result in disqualification, ineligibility, or denial or loss of benefits;

(g) The sources of financing retirement benefits, and statutory requirements for funding;

(h) A statement after each actuarial valuation as to whether funding requirements are being met; and

(i) The procedures to be followed in presenting claims for benefits under the plan, and the remedies available under the plan for the redress of claims which are denied in whole or in part.

(3) The board may publish the summary plan description in the form of a comprehensive pamphlet or booklet, or in the form of periodic newsletters which shall incorporate all the information required in the summary plan description within a period of two (2) years. Any changes in statutory requirements or administrative practices which alter the provisions of the plan as described in the summary plan description shall be summarized as required in subsection (1) of this section and furnished to members in the form of a supplement to a comprehensive booklet, or reported in the periodic newsletter.

(4) The board shall provide to retirees and beneficiaries so much of the summary plan description as they need to understand changes in benefits which apply to them.

SB 233, AN ACT relating to the Kentucky cancer commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 214.510 is amended to read as follows:

(1) The Kentucky cancer commission is hereby created. The commission shall be composed of *seven (7) voting* [thirteen (13)] members *five (5)* [eleven (11)] of whom shall be appointed by the governor *and two (2) of whom shall be members of the Kentucky general assembly* [as follows: The chairperson of the east Kentucky health systems agency, the chairperson of the Kentucky health systems agency west, incorporated, the president of the Kentucky farm bureau federation, a member of the Kentucky division of the American Cancer Society, one member of the Regional Cancer Center Corporation in Louisville, Kentucky, one (1) representative of the University of Kentucky, one (1) representative of the University of Louisville, two (2) citizens, one (1) representative of the Kentucky medical association, and one (1) representative of the Ephraim McDowell Community Cancer Network, Incorporated]. *Of the two (2) general assembly members* [The two (2) remaining commission members shall be members of the Kentucky general assembly], one (1) [of whom] shall be appointed by the speaker of the house of representatives and one (1) [of whom] shall be appointed by the president pro-tempore of the senate. *The vice president for the medical center of the university of Kentucky and the vice president for health affairs of the university of Louisville shall be ex-officio, non-voting members.*

(2) [The following three (3) members shall be permanent members of the commission by virtue of their office: The chairperson of the east Kentucky health systems agency, the chairperson of the Kentucky health systems agency west, incorporated, and the president of the Kentucky farm bureau federation.] The two (2) members of the general assembly shall serve for a term of two (2) years each. The remaining *five (5)* [six (6)] members shall serve for a term of four (4) years, except that the first appointments shall be made as follows: One (1) for a term of one (1) year; one (1) for a term of two (2) years; *one (1)* [two (2)] for a term of three (3) years; and two (2) for a term of four (4) years.

(3) No member of the commission shall receive any salary, fee or other remuneration for his services as a member of the commission but each member shall be reimbursed for his ordinary travel expenses, including meals and lodging, incurred in the performance of his duties incident to implementation of the provisions of KRS 214.500 to 214.530.

(4) The commission shall elect, by a majority vote of the *seven (7) voting* [thirteen (13)] members, a chairman who shall be presiding officer of the commission, shall preside at all meetings, and coordinate the functions and activities of the commission. The chairman shall be elected or re-elected annually. The commission shall have such other organization as deemed necessary and approved by the commission.

(5) The commission may appoint such advisory committees as are deemed necessary to administer the provisions of KRS 214.500 to 214.530.

(6) Meetings of the commission shall be held at least quarterly but may be held more frequently as deemed necessary subject to call by the chairman or by request of a majority of commission members. Commission meetings shall concern, among other things, policy matters relating to cancer research, educational and management programs and projects, research progress reports, authorization of projects and financial plans, and such other matters as necessary to carry out the intent of KRS 214.500 to 214.530.

(7) *Four (4) voting* [Eight (8)] members of the commission shall constitute a quorum for doing business. Each *voting* member shall have one (1) vote and a majority vote of the members present shall control on all questions.

(8) The commission may employ such reasonable number of staff as deemed necessary to perform their duties authorized under KRS 214.500 to 214.530. Any operating expenses shall be paid through the funds appropriated under Acts 1978, ch. 176, sec. 5.

[(9) The governor shall allocate space for the commission to hold their meetings and a place in which to store their material within the department for human resources.]

Representative Boswell moved that the rules be suspended for the purpose of making a motion concerning co-sponsors of Bills and Resolutions.

Representative Boswell moved that all properly filed co-sponsor requests be approved. Agreed.

The following members filed requests to have their names added as co-sponsors of Bills and Resolutions.

Representative Caldwell, **HB 20, HB 109**; Representative Cawood, **HB 719, HB 752, HB 753, HB 754, HB 852, HB 853, HB 919**; Representative Donnermeyer, **HB 636, HB 637, HB 638, HB 639, HB 717**; Representative Weinberg, **HB 970**; Representative Worthington, **HB 970.**

Motions, Petitions, and Communications (continued)

Representative B. Richardson moved that when the House adjourns, it do so until Friday, March 21, 1980 at the hour of 10:00 a.m. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so by voice vote.

Representative B. Richardson moved that no other business be conducted on this day other than consideration of Citations, Resolutions, and vote changes. Agreed.

Representative Rapier moved the adoption of the following **HR 124:**

HR 124, A RESOLUTION honoring Bardstown, Kentucky on its Bicentennial.
WHEREAS, Bardstown, Kentucky celebrates its bicentennial during the year 1980; and
WHEREAS, this beautiful, historic city exemplifies the best of Kentucky history and tradition; and
WHEREAS, while retaining and preserving tradition, Bardstown has been recognized for keeping pace with growth and community needs by receiving the All Kentucky City Hall of Fame Award; and
WHEREAS, visitors from the world over have enjoyed the charm and hospitality of Bardstown; and
WHEREAS, the official opening ceremonies for the Bardstown Bicentennial Celebration occur on March 23, 1980;
NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House honors Bardstown, Kentucky for its 200 years of blending tradition and progress.
Section 2. That the good wishes of this body are extended to the citizens of Bardstown on the opening ceremonies for the Bicentennial Celebration on March 23, 1980.
Section 3. That the Clerk of the House shall forward a copy of this resolution to the mayor of Bardstown.

HR 124 was adopted by voice vote.

Representative Smith moved the adoption of the following Legislative Citation No. 67:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Bullitt Central High School Debate Team and your excellent coach, Miss Barbara Elliott, winner of the Louisville Regional Speech Festival held at the University of Louisville, March 8 and 15, hereby qualifying for state tournament participation. As triple winners of first, second and third places, you established a most creditable record. Your topic "United States Should Significantly change Its foreign Trade Policies" is of national importance and concern and debated throughout the year. You have demonstrated excellent debating skills and profound concern for national issues. We salute and extend our best wishes to all team members — first place, Jan Firkins and Lauren Howard; second place, Anita Sexton and Dana Alcorn; third place, Swyn Taylor and John Bickers and your fine coach. May your ten year debating experience prove beneifical in your state participation. You have bestowed great honor and distinction upon your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Smith)

Agreed.

Representative Smith moved the adoption of the Legislative Citation No. 68:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the North Bullitt County High School Basketball Team and your fine coach, Mr. Bill Bass, on winning the twenty-ninth District Champion ship held March 8, 1980 at Bullitt Central High School. Your competitive spirit and excellent sportsmanship companioned by school loyalty and a positive team effort are most complimentary. We are proud that you have captured this victory for two continuous years that is indicative of your fine ambition. You have bestowed honor upon your school, community and the State of Kentucky. Accept our best wishes for future success. (Sponsored by Representative Smith)

Agreed.

Representative Cyrus moved that he be recorded as voting "nay" on **SB 41.** Agreed.

Representative Deskins moved the adoption of the following Legislative Citation No. 69:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Pikeville Lady Panthers Basketball Team and their excellent coach, Mr. Hillard Howard, for your outstanding achievement of winning the fifteenth Region Girls' Basketball Tournament. Your superb record of 30-0 reflects hard work and a fine performance. This body applauds you and extends our very best wishes for continued success at the Girls' "Sweek Sixteen" State Tournament at Eastern Kentucky University, Richmond, Kentucky, March 19-22, 1980. (Sponsored by Representative Deskins)

Agreed.

Representative Richards moved the adoption of the following Legislative Citation No. 70:

The House of Representatives of the Commonwealth of Kentucky hereby commends the Western Kentucky University Hilltopper Basketball Team, your coach, Mr. Gene Keady and staff, for an outstanding 1979-80 season. Your record of 21-8 and the attainment of the Championship of the Ohio Valley Conference Tournament are truly commendable. Warmest congratulations are extended the seniors, Bill Bryant, Trey Trumbo, Jack Washington, Mike Prince, Kurtis Townsend and Greg Burbach upon completion of your basketbal career at Western. We are proud of your performance, the record of team members and the excellent leadership of Coach Keady. Your athletic endeavors have given Western Kentucky University Hilltopper fans much enjoyment during the 1979-80 basketball season. This body applauds you for your fine accomplishments and the honor and pride that you have brought to your schools, community and the Commonwealth of Kentucky. (Sponsored by Representative Richards)

Agreed.

Representative Barrows moved that he be recorded as voting "yea" on **HB 574.** Agreed.

Representative Worthington moved that he be recorded as voting "nay" on **SB 41.** Agreed.

Representative Bruce moved the adoptionof the following **HR 125:**

HR 125, A RESOLUTION condemning the Tennessee Valley Authority and its Chairman, Mr. David Freeman, for their proposed electricity rate increases.

WHEREAS, the industrial development of the Tennessee Valley in general, and that part of Kentucky lying within the Tennessee Valley in particular, depends on low electricity prices; and

WHEREAS, the Tennessee Valley Authority was founded for the purpose of providing the Tennessee Valley area with low electricity rates, primarily to attract industrial development; and

WHEREAS, sharply rising utility rates are greatly detrimental to industrial development as well as to residential customers; and

WHEREAS, Mr. David Freeman, Chairman of the Tennessee Valley Authority has recently announced proposed electricity rate increases which will greatly exceed the President's Wage and Price Guidelines;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The proposed rate increases recently announced by the Tennessee Valley Authority through its chairman, Mr. David Freeman, are hereby condemned as being excessive, inflationary, detrimental to the industrial development of the area, and in violation of the President's Wage and Price Guidelines. The Authority and its chairman are hereby petitioned and requested to insure that future rate increases are not excessive and are held in compliance with the President's Wage and Price Guidelines.

Section 2. That the Clerk of the House of Representatives shall forward a copy of this resolution to the Honorable S. David Freeman, Chairman of the Tennessee Valley Authority, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to the President of the United States.

HR 125 was adopted by voice vote.

Representative Worthington moved that he be recorded as voting "yea" on **HB 734.** Agreed.

Representative Stumbo moved that the rules be suspended to allow the filing of Floor Amendments to Bills and Resolutions after adjournment today.

Representative Stumbo's motion was ruled out of order.

Adjournment

Representative Brinkley moved that the House adjourn until 10:00 a.m., Friday, March 21, 1980.

The motion to adjourn was adopted by voice vote.

FRIDAY, MARCH 21, 1980

FORTY-NINTH LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Father J. Williamson Brown, Church of the Ascension, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 20, 1980, be dispensed with and the same approved. Agreed.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Natural Resources and Environment: **HR 126.**

State Government: **SB 364.**

Health and Welfare: **SB 282.**

Posting of Bills and Resolutions for Consideration

The Clerk announced **SB 237** has been posted for consideration by the Committee on Banking and Insurance.

Report on Enrolled Bills

HB 87, HB 316, HB 318, HB 324, HB 360, HB 436, HB 547, HB 600, HCR 37, and **HCR 57,** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 374** with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee on Appropriations and Revenue reported **HB 793,** with Committee Amendment attached thereto, and **HJR 21,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 793, AN ACT relating to firefighters and making an appropriation therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

It is the intention of the general assembly to assure that fire protection in the Commonwealth is continually strengthened, upgraded and attractive to highly qualified men and women who choose firefighting as a profession; and to retain qualified and experienced firefighters for the purpose of providing maximum protection and safety to the citizens of, and visitors to, this Commonwealth; and to offer a state monetary supplement for local firefighters while upgrading the educational and training standards of such firefighters.

SECTION 2. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Commission" means the commission on fire protection personnel standards and education established pursuant to KRS 95A.020.

(2) "Fund" means professional firefighters foundation program fund.

(3) "Local government" means any city or county, or any combination thereof or urban county government of the Commonwealth.

(4) "Professional firefighter" means any member of a paid municipal fire department organized under KRS Chapter 95 or a fire protection district organized under KRS Chapter 75, or a county fire department created pursuant to Chapter 67.

SECTION 3. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

(1) There is established the professional firefighters foundation program fund consisting of appropriations from the general fund of the Commonwealth of Kentucky in amounts sufficient to carry out the provisions of this Act. The fund may also receive any other funds, gifts or grants made available to the state for distribution to local governments in accordance with the provisions of this Act.

(2) The resources of the fund shall be paid into the state treasury and shall be drawn out or appropriated only in accordance with the provisions of this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

Each local government which meets the following requirements shall be eligible to share in the distribution of funds from the fund:

(1) Employs one or more firefighters.

(2) Pays every firefighter a minimum annual salary of $8,000.

(3) Maintains the minimum educational requirement of a high school degree, or its equivalent as determined by the commission, for employment of firefighters on or after August 1, 1980. All firefighters employed prior to August 1, 1980 shall be deemed to have met requirements of this subsection.

(4) Requires all firefighters employed on or before August 1, 1980 to successfully complete a basic training course of a minimum of two hundred (200) hours duration within one (1) year of the date of employment at a school certified or recognized by the commission.

(5) Requires all firefighters, whether originally employed before or after August 1, 1980, to successfully complete in each calendar year an in-service training program appropriate to the firefighters rank and responsibility, of at least one hundred (100) hours duration at a school certified or recognized by the commission.

(6) Requires compliance with all provisions of law applicable to local firefighters.

(7) Requires compliance with all rules and regulations, appropriate to the size and location of the local fire department or fire prevention district, issued by the commission to facilitate the administration of the fund and further the provisions of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

(1) The commission shall administer the fund pursuant to the provisions of this Act and may issue such reasonable rules and regulations as, in its discretion, will facilitate the administration of the fund and further the purposes of this Act.

(2) The commission shall determine which local governments are eligible to share in the fund and may withhold or terminate payments to any local government that does not comply with the requirements of this Act or the rules and regulations issued by the commission thereunder.

SECTION 6. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

An eligible local government shall be entitled to receive an amount equal to fifteen percent (15%) of each firefighter's total annual compensation from the fund to be paid to each firefighter in addition to his regular salary.

SECTION 7. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

Funds made available to local governments shall be received, held and expended in accordance with the provisions of this Act, any rules and regulations issued by the commission, and the following specific restrictions:

(1) Funds provided shall be used only as a cash salary supplement to firefighters.

(2) Funds provided shall be used only to compensate firefighters who have complied with subsections (3) and (4) of Section 4 of this Act.

(3) Each firefighter shall be entitled to receive the state supplement which his qualifications brought to the local government.

(4) Funds shall not be used to supplement existing salaries or as a substitute for normal salary increases periodically due to firefighters.

SECTION 8. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

The department of finance, on the certification of the commission, shall draw warrants as specified on the state treasurer for the amount of the fund due each eligible local government. Checks shall be issued by the state treasurer and transmitted to the commission for distribution to the proper officials of participating local governments which have complied with the provisions of this Act. Beginning January 1, 1981, and on the first day of each month thereafter, the share of each eligible local unit shall be distributed from the fund.

SECTION 9. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

Each eligible local government shall submit reports to the commission on fire protection on June 30, September 30, December 31, and March 31 of each year containing information relative to number, rank, education, training and compensation of firefighters in their jurisdictions and the disposition made of any state or other funds received pursuant to this Act.

SECTION 10. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

(1) If funds appropriated by the general assembly and otherwise made available to the fund are insufficient to provide the amount of money required by Section 6, the commission shall make a uniform percentage reduction in the allotment of funds available.

(2) Funds appropriated by the general assembly and unexpended by the commission at the close of the fiscal year for which the funds were appropriated shall not lapse, but shall be carried forward into the following fiscal year.

SECTION 11. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

An appeal may be taken from any decision of the commission to withhold or terminate payment from the fund to any local government. Appeal shall be to the circuit court of the circuit where the controversy originated.

SECTION 12. A NEW SECTION OF KRS CHAPTER 95A IS CREATED TO READ AS FOLLOWS:

Any person who knowingly or willfully makes any false or fraudulent statement or representation in any record or report to the commission under this Act shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500), or imprisoned for not less than thirty (30) days nor more than one (1) year, or both.

Section 13. There is appropriated to the fund created pursuant to this Act, the sum of $1,000,000 for fiscal year 1980-1981 and the sum of $2,000,000 for fiscal year 1981-1982.

The Committee Amendment No. 1 to **HB 793** is as follows:

Amend printed copy of **HB 793,** page 7, lines 10 to 13, by deleting same.

HJR 21, A JOINT RESOLUTION authorizing an appropriation for the Blue Licks Commemorative Commission.

WHEREAS, the Battle of Blue Licks was the last battle of the Revolutionary War; and

WHEREAS, sixty courageous Kentuckians gave their lives in the Battle of Blue Licks to defend their homes, their loved ones, and the freedom that we hold so dear; and

WHEREAS, August 19, 1982 will mark the bicentennial of the Battle of Blue Licks; and

WHEREAS, it is fitting that on that day we honor those who died long ago for the freedom we enjoy today; and

WHEREAS, the citizens of the Blue Licks region are making an active effort to encourage tourism, which contributes greatly to the economic growth of their region; and

WHEREAS, the Blue Licks Commemorative Commission, Inc., was designated as an official organ of the Bicentennial of the United States in 1976 and performed admirably in this capacity for the people of the Commonwealth of Kentucky;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Blue Licks Commemorative Commission, Inc., is designated as the official group to organize and promote a bicentennial program on the 200th anniversary of the Battle of Blue Licks.

Section 2. That $40,000 be appropriated to the Blue Licks Commemorative Commission, Inc., from the General Fund of the General Assembly in fiscal year 1981-1982 for this purpose.

The Committee Amendment No. 1 to **HJR 21** is as follows:

Amend printed copy of **HR 21,** page 2, line 5, by deleting after the words "Section 2." all the rest of lines 5 through 8 and substituting in lieu thereof the following:

"Of the amount appropriated in 1980 House Bill 931 to the Department of Tourism for the Special Events Promotion program for fiscal year 1981-82, as reflected in the work papers considered by the General Assembly, $40,000 shall be for expenditure by, or in behalf of, the Blue Licks Commemorative Commission, Inc., in fiscal year 1981-82 for promotion of a bicentennial program on the 200th anniversary of the Battle of Blue Licks."

Senate Message

Announcing passage of **SB 93, SB 173, SB 236, SB 245, SB 278, SB 279, SB 283, SB 315, SB 323, SB 366, SB 368, SB 378, SB 390, SB 195, HB 105, HB 119, HB 204, HB 205, HB 208, HB 236, HB 269, HB 389, HB 481, HB 482, HB 568, HB 51** with Senate Amendment, and **HB 613** with Senate Amendment.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 566** had been examined and found correctly enrolled. **HB 566** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 566 delivered to the Senate, signed by President. Ordered delivered to the Governor.

Calendar

HB 861, SB 157, SB 166, SB 263, HCR 84, SB 365, SB 14, HB 573, SB 141, SB 249, HB 483, SB 102, HB 251, HB 514, HB 930, HR 121, SB 11, SB 108, SB 233, HB 974, HB 445, HB 536, HB 559, HCR 108, HR 117, SB 268, and **SCR 18** taken from the Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Consent Calendar

HB 420 and **HR 118** taken from the Consent Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Recess

Representative B. Richardson moved that the House recess for fifteen minutes for a meeting of the Committee on Rules.

On the roll call the vote was yeas 31-Barrows, Bendl, Blandford, Brinkley, Brown, Bruce, Clapp, Craddock, Crupper, DeFalaise, DeMarcus, Donnermeyer, Gray, Hancock, Hines, Isler, Kenton, LeMaster, Little, Mann, Moberly, Nett, Pearman, Petty, Rapier, Reynolds, Richards, B. Richardson, Sale, Stone, Thomason. Nays 18-Caldwell, Clark, Davenport, Freibert, Fryman, Heleringer, Holbrook, Layman, Lewis, Overstreet, Patrick, Plummer, Rattliff, P. Richardson, Robinson, Stumbo, Van Horn, White.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

HB 973, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Substitute to **HB 973.** Agreed.

Representative Clarke moved that **HB 973,** by way of Committee Substitute, be passed.

Representative DeFalaise moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 973.**

On the roll call the vote was yeas 38-Allen, Bennett, Blair, Blythe, Burnette, Caldwell, Cawood, Clark, Curd, Davenport, DeFalaise, DeMarcus, Dunn, Farrow, Freibert, Fryman, Guenthner, Haering, Head, Heleringer, Isler, Layman, Lewis, Overstreet, Patrick, Plummer, Priddy, Rattliff, Riner, Robinson, Romines, Schmidt, Stumbo, Turner, Van Horn, White, Wright, Yates. Nays 56-Adams, Arnold, Barrows, Bendl, Blandford, Boswell, Brown, Bruce, Burch, Clapp, Clarke, Craddock, Crupper, Cyrus, Dawahare, Deskins, Donnermeyer, Ellington, Foster, Gray, Hancock, Hines, Holbrook, Johnson, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Petty, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Smith, Stone, Thomas, Thomason, Tobin, Weinberg, Wilborn.

Floor Amendment No. 2 to the Committee Substitute to **HB 973** was rejected.

Representative B. Richardson moved that **HB 973,** by way of Committee Substitute, be passed.

Representative Barrows moved the adoption of the Floor Amendment No. 3 to the Committee Substitute to **HB 973.**

On the roll call the vote was yeas 22-Allen, Barrows, Brinkley, Caldwell, Cawood, Clark, Farrow, Haering, Heleringer, Isler, Layman, Lewis, McKinney, Morris, Noe, Patrick, Riner, Robinson, Stumbo, Turner, Van Horn, Wright. Nays 65-Adams, Arnold, Bendl, Blandford, Blythe, Boswell, Bruce, Burch, Burnette, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Guenthner, Hancock, Hines, Holbrook, Holloway, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Nett, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Weinberg, White, Wilborn, Worthington, Yates.

Floor Amendment No. 3 to the Committee Substitute to **HB 973** was rejected.

Representative B. Richardson moved that **HB 973,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 52-Adams, Arnold, Bendl, Blandford, Blythe, Boswell, Brown, Burch, Clapp, Clarke, Craddock, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Ellington, Hancock, Hines, Holbrook, Holloway, Johnson, Jones, Kenton, Kidd, LeMaster, List, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Nett, O'Brien, Pearman, Petty, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Thomas, Thomason, Tobin, Weinberg, Wilborn, Williams, Worthington. Nays 48-Allen, Barrows, Bennett, Blair, Brinkley, Bronger, Bruce, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Isler, Layman, Lewis, Little, Morris, Noe, Overstreet, Patrick, Plummer, Priddy, Rattliff, Riner, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Turner, Van Horn, White, Wright, Yates.

HB 973, by way of Committee Substitute, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 973,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Recess

Representative B. Richardson moved that the House recess for five minutes. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Senate Message

Announcing passage of **SB 255, SB 363, SB 383, HB 265, HB 364, HB 449,** and **HB 71** with Senate Amendment.

Orders of the Day (continued)

HB 970, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Substitute to **HB 970.** Agreed.

Representative B. Richardson moved that **HB 970,** by way of Committee Substitute, be passed.

Representative Dawahare moved that Floor Amendment No. 2 to the Committee Substitute to **HB 970** be withdrawn. Agreed.

Representative Dawahare moved that Floor Amendment No. 3 to the Committee Substitute to **HB 970** be withdrawn. Agreed.

Representative Patrick moved the adoption of the Floor Amendment No. 7 to **HB 970.**

Representative Adams asked ruling of the Chair as to whether Floor Amendment No. 7 was germane to the bill.

The Chair ruled Floor Amendment No. 7 was not germane to the Committee Substitute to **HB 970.**

Representative Patrick moved that **HB 970** be laid on the Clerk's desk.

On the roll call the vote was yeas 24-Allen, Boswell, Crupper, Davenport, Dawahare, Freibert, Fryman, Guenthner, Haering, Holloway, Layman, McKinney, Morris, O'Brien, Overstreet, Patrick, Plummer, Priddy, Rattliff, P. Richardson, Robinson, Romines, Schmidt, Van Horn. Nays 38-Barrows, Blair, Brinkley, Bronger, Brown, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Donnermeyer, Dunn, Farrow, Gray, Head, Hines, Isler, Jones, Kenton, LeMaster, List, McBee, Moberly, Pearman, Petty, Rapier, Richards, B. Richardson, Sale, Smith, Stone, Stumbo, Thomason, Tobin, Weinberg, Williams, Worthington.

The motion that **HB 970** be laid on the Clerk's desk was rejected.

Representative Little moved the adoption of the Floor Amendment No. 8 to the Committee Substitute to **HB 970.**

On the roll call the vote was yeas 32-Allen, Bennett, Blair, Boswell, Brown, Caldwell, Davenport, Dawahare, DeMarcus, Deskins, Farrow, Fryman, Guenthner, Layman, Lewis, Little, Mann, McKinney, Morris, Noe, Overstreet, Patrick, Reynolds, P. Richardson, Robinson, Romines, Smith, Stone, Stumbo, Thomas, Van Horn, White. Nays 36-Adams, Barrows, Bruce, Burch, Burnette, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Donnermeyer, Dunn, Foster, Freibert, Gray, Haering, Head, Holloway, Isler, Kenton, LeMaster, List, McBee, McNutt, Moberly, Petty, Rattliff, Richards, B. Richardson, Sale, Thomason, Tobin, Wilborn, Worthington, Yates.

Floor Amendment No. 8 to the Committee Substitute to **HB 970** was rejected.

Representative Little moved the adoption of the Floor Amendment No. 6 to the Committee Substitute to **HB 970.**

On the roll call the vote was yeas 45-Allen, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Davenport, Dawahare, DeMarcus, Deskins, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Head, Hines, Layman, Lewis, Little, Mann, McKinney, Noe, Overstreet, Patrick, Plummer, Riner, Robinson, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Williams. Nays 32-Adams, Barrows, Bruce, Clapp, Clarke, Craddock, Donnermeyer, Dunn, Haering, Holloway, Isler, Kenton, LeMaster, List, Lundergan, McBee, McNutt, Moberly, Morris, Nett, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Wilborn, Wright, Yates.

Floor Amendment No. 6 to **HB 970** was adopted.

Representative B. Richardson moved that **HB 970,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 64-Adams, Allen, Arnold, Blair, Blandford, Boswell, Brinkley, Brown, Bruce, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Deskins, Donnermeyer, Farrow, Foster, Gray, Head, Hines, Holloway, Isler, Johnson, Jones, Kenton, Layman, LeMaster, Lewis, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Morris, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Weinberg, Wilborn, Worthington, Yates. Nays 25-Bendl, Bennett, Blythe, Burch, Burnette, Dawahare, DeFalaise, Dunn, Freibert, Guenthner, Haering, Hancock, Holbrook, List, Little, Noe, O'Brien, Patrick, P. Richardson, Riner, Robinson, Van Horn, White, Williams, Wright.

HB 970, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 970** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Recess

Representative B. Richardson moved that the House recess for thirty minutes for a meeting of the Committee on Cities, Room 307; Appropriations and Revenue, Room 316; Transportation, Room 9; Rules, Room 307 (after Cities Committee meeting).

On the roll call the vote was yeas 30-Adams, Barrows, Bendl, Bennett, Brinkley, Clark, Craddock, DeMarcus, Donnermeyer, Freiberg, Kenton, LeMaster, List, Lundergan, Mann, May, McBee, Morris, Nett, Petty, Priddy, Reynolds, B. Richardson, Romines, Stone, Stumbo, Tobin, Weinberg, White, Yates. Nays 20-Allen, Caldwell, Davenport, Deskins, Fryman, Gray, Guenthner, Haering, Holbrook, Johnson, Layman, Lewis, Maynard, Noe, Overstreet, Plummer, Riner, Smith, Van Horn, Wright.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 45, SB 135, SB 170, SB 172, HB 105, HB 119, HB 204, HB 205, HB 208, HB 236, HB 269, HB 389, HB 481, HB 482, HB 568, HB 265, HB 364,** and **HB 449** had been examined and found correctly enrolled. Said bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Senate Message

Announcing passage of **SB 311, SB 338, SB 347, SB 348, HB 123, HB 287, HB 438, HB 448, HB 490, HB 499, HB 515, HB 516, HB 538, HB 544, HB 59** with Senate Amendment, **HB 283** with Senate Amendment, **HB 344** with Senate Amendment, **HB 376** with Senate Amendment, **HB 140** with Senate Amendment.

Orders of the Day (continued)

HB 968, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Substitute to **HB 968.** Agreed.

Representative Dawahare moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 968.**

Representative Clarke requested a ruling of the Chair as to whether Floor Amendment No. 1 was germane to the issue.

The Speaker ruled Floor Amendment No. 1 was not germane.

Representative Nett moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 968.**

Representative Farrow requested a ruling of the Chair as to whether Floor Amendment No. 2 was germane.

The Speaker ruled Floor Amendment No. 2 was germane.

Representative Nett moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 968.** Agreed.

Representative Jones moved the adoption of the Floor Amendment No. 3 to the Committee Substitute to **HB 968.**

Representative White requested a ruling of the Chair as to whether Floor Amendment No. 3 to the Committee Substitute to **HB 968** was germane.

The Speaker ruled Floor Amendment No. 3 was germane.

On the roll call the vote was yeas 39-Adams, Allen, Barrows, Blythe, Boswell, Brown, Bruce, Burnette, Caldwell, Craddock, Cyrus, Dawahare, Freibert, Fryman, Gray, Haering, Holbrook, Holloway, Jones, Kenton, Layman, LeMaster, List, Lundergan, May, Morris, Nett, Patrick, Pearman, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Robinson, Tobin, Van Horn, Wright. Nays 42-Arnold, Bendl, Bennett, Blandford, Brinkley, Burch, Cawood, Clark, Clarke, Crupper, Curd, Davenport, Deskins, Donnermeyer, Dunn, Farrow, Foster, Hancock, Head, Hines, Isler, Johnson, Lewis, Mann, McBee, Moberly, Noe, O'Brien, Petty, Plummer, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Weinberg, White, Wilborn, Williams, Worthington, Yates.

Floor Amendment No. 3 to **HB 968** was rejected.

Representative B. Richardson moved that **HB 968,** by way of Committee Substitute as amended, be passed.

Representative Clarke moved the adoption of the Floor Amendment No. 4 to the Committee Substitute to **HB 968.** Agreed.

Representative B. Richardson moved that **HB 968,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 48-Adams, Arnold, Barrows, Bendl, Blythe, Brinkley, Brown, Bruce, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Deskins, Donnermeyer, Foster, Hancock, Head, Hines, Holloway, Kenton, Lewis, Little, Lundergan, Mann, McBee, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, B. Richardson, Schmidt, Stone, Stumbo, Thomason, Tobin, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 35-Allen, Bennett, Blair, Blandford, Boswell, Burnette, Caldwell, Davenport, Dawahare, Dunn, Farrow, Freibert, Fryman, Gray, Haering, Holbrook, Isler, Johnson, Jones, Layman, LeMaster, List, May, Patrick, Plummer, Rattliff, Richards, Riner, Robinson, Smith, Thomas, Turner, Van Horn, White, Wright.

HB 968, by way of Committee Substitute as amended, was defeated.

Representative B. Richardson moved that consideration of all Bills and Resolutions remaining in Orders of the Day be deferred and that they retain their position. Agreed.

Representative B. Richardson moved that the rules be suspended for Report of Committees. Agreed.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 931,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee Substitute to **HB 931** is as follows:

Committee Substitute for **HB 931,** AN ACT relating to appropriations for the operation, maintenance, support and functioning of the government of the Commonwealth of Kentucky and its various officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I
GENERAL FUND

There is appropriated out of the General Fund for the fiscal year ending June 30, 1980, and, including any unappropriated surplus to the General Fund as of June 30, 1980, for the fiscal year beginning July 1, 1980, and ending June 30, 1981, and, including any unappropriated surplus to the General Fund as of June 30, 1981, for the fiscal year beginning July 1, 1981, and ending June 30, 1982, the following sums for the following officers, cabinets, departments, boards, commissions, institutions, subdivisions, and agencies of the State Government, and any and all other activities of the government of the Commonwealth of Kentucky subject to the provisions of Chapters 21, 42 and 45 of the Kentucky Revised Statutes, for which a specific appropriation is in Part I listed as follows:

A. GENERAL GOVERNMENT

1. GOVERNOR

1980-81	$ 1,716,500
1981-82	$ 1,830,200

Included in the above appropriation in each year of the biennium is $18,000 for the Governor's contingent expense fund to meet additional expenses associated with the position of Governor of Kentucky as specified in KRS 64.710.

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2. LIEUTENANT GOVERNOR

1980-81	$ 431,000
1981-82	$ 468,500

Included in the above appropriation in each year of the biennium is $10,000 for the Lieutenant Governor's contingent expense fund to meet additional expenses associated with the position of Lieutenant Governor of Kentucky as specified in KRS 64.710.

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3. SECRETARY OF STATE

a. General Operations

1980-81	$ 754,900
1981-82	$ 780,300

b. Restoration of Land Grant Books

1980-81 .... $ 47,000

1981-82 .... $ 47,000

TOTAL - SECRETARY OF STATE

1980-81 .... $ 801,900

1981-82 .... $ 827,300

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4. BOARD OF ELECTIONS

1980-81 .... $ 1,156,300

1981-82 .... $ 1,228,600

Included in the above appropriation is $775,000 in fiscal year 1980-81 and $730,000 in fiscal year 1981-82 to pay the state's share of county election expenses (KRS 117.345) and the state's share of voter registration expenses (KRS 116.105). Any unexpended balance remaining at the close of each fiscal year shall lapse to the credit of the General Fund. Any expenses in excess of the above amounts shall be deemed a necessary governmental expense.

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5. TREASURY

1980-81 .... $ 1,002,900

1981-82 .... $ 1,045,600

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6. DEPARTMENT OF LAW

1980-81 .... $ 3,080,000

1981-82 .... $ 3,200,000

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7. AUDITOR OF PUBLIC ACCOUNTS

1980-81 .... $ 1,750,000

1981-82 .... $ 1,850,000

The Auditor of Public Accounts shall report in writing each sixty (60) days to the Interim Joint Committee on Appropriations and Revenue the progress of all state audits, together with copies of all completed audits.

No state agency shall enter into any contract with a non-governmental entity for an audit unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within thirty (30) days of receipt of a written request. The agency requesting the audit shall furnish the Auditor of Public Accounts a comprehensive statement of the scope and nature of the proposed audit.

Any expenses incurred in the auditing of federal disaster relief funds shall be deemed a necessary governmental expense.

The Auditor shall maintain a record of all time and expenses for each audit or investigation.

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8. OFFICE FOR PROGRAM ADMINISTRATION

1980-81 .... $ 314,500

1981-82 .... $ 331,400

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9. CAPITAL PLAZA

1980-81 .... $ 1,345,600

1981-82 .... $ 1,345,400

The above appropriation shall be used to offset the payment of the Debt Service of the Capital Plaza.

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10. COUNTY COSTS

		1980-81	1981-82
a.	Jailer's Fees	$8,900,000	$9,000,000
b.	Base Court Revenue	5,437,600	5,437,600
c.	Sheriffs' Fees	1,525,000	1,600,000
d.	Jury Fund	3,200,000	3,200,000
e.	Witnesses	65,000	65,000
f.	Special Bailiffs	20,000	20,000
g.	Board of Assessment Appeals	50,000	50,000
h.	Fugitives from Justice	300,000	300,000
i.	Sheriffs' Expense Allowance	432,000	432,000
j.	Premium on Sheriff's Bonds	175,000	185,000
k.	County Clerks - Making Tax Bills	400,000	400,000

All county costs funded by the General Fund are deemed to be necessary governmental expenses and additional funds may be allotted from the General Fund surplus by the Secretary of the Department of Finance.

TOTAL COUNTY COSTS

1980-81	$ 20,504,600
1981-82	$ 20,689,600

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11. DEPARTMENT OF FINANCE

a. State Planning Fund

1980-81	$ 2,100,000
1981-82	$ 2,100,000

Any portion of the above appropriation for the State Planning Fund may be transferred to other major program areas or agencies of state government for the purpose of funding planning activities approved by the State Planning Committee. Any unexpended balance at the close of the 1980-81 fiscal year shall not lapse, but shall continue into the 1981-82 fiscal year.

b. General Operations

1980-81	$ 13,451,100
1981-82	$ 14,284,200

Included in the above appropriation is $150,000 each fiscal year for payment to the city of Frankfort for the provision of fire and police protection and other services for state owned property in accordance with KRS 45.155.

c. Salary Improvements for State Employees

1980-81	$ 11,800,000
1981-82	$ 31,600,000

Any portion of the above appropriation may be transferred to any major program area or agency of state government for the purpose of meeting salary and benefit improvements for state employees as determined to be needed by the Department of Finance based upon the recommendation of the Department of Personnel.

It is the intent of the General Assembly that improvement priorities shall be given to those persons with salaries below the Federal Poverty Wage Level and to those job classifications with critical recruitment and retention problems. No funds shall be used for management positions. Notice of transfers of these funds shall be reported by quarterly period during each fiscal year to the Legislative Research Commission.

Any unexpended balance in the account for salary improvements for state employees at the close of the 1979-80 fiscal year shall not lapse, but shall continue into the 1980-81 fiscal year. Also, any unexpended balance in the account for salary improvements for state employees at the close of the 1980-81 fiscal year shall not lapse, but shall continue into the 1981-82 fiscal year.

d. Area Development Fund

1980-81	$ 6,000,000
1981-82	$ 6,000,000

Any unexpended balance at the close of the 1980-81 fiscal year shall not lapse, but shall continue into the 1981-82 fiscal year.

e. Kentucky Center for the Arts - Debt Service

1981-82	$ 2,800,000

f. Local Government Economic Assistance Fund

1981-82	$ 32,825,000

The above appropriation is provided only in the event that enabling legislation for the local government economic assistance program is enacted by the 1980 General Assembly.

TOTAL - DEPARTMENT OF FINANCE

1980-81	$ 33,351,100
1981-82	$ 89,609,200

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12. GENERAL OBLIGATION BONDS

a. Park Bonds

1980-81	$ 557,000
1981-82	$ 553,000

b. Veterans Bonus Bonds

1980-81	$ 7,832,000
1981-82	$ 7,838,000

c. 1965 General Purpose Bonds

1980-81	$ 2,045,000
1981-82	$ 2,045,000

TOTAL - GENERAL OBLIGATION BONDS

1980-81	$ 10,434,000
1981-82	$ 10,436,000

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13. COMMISSION ON HUMAN RIGHTS

1980-81	$ 849,400
1981-82	$ 887,500

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14. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1980-81	$ 3,178,400
1981-82	$ 2,760,200

Included in the above appropriation is $160,500 in fiscal year 1980-81 and $142,500 for the KEWS operations, and an additional $600 for the purchase of radio equipment in fiscal year 1980-81.

Any expenditures of funds as a result of the governor's call of the Kentucky National Guard to active duty is hereby declared to be a necessary governmental expense provided, however, that an emergency situation shall have been directed to exist by the Governor.

b. Disaster and Emergency Services

1979-80	$ 60,000
1980-81	$ 2,060,000
1981-82	$ 2,000,000

Included in the above appropriation is $60,000 in fiscal year 1979-80 for expenses incurred by the Division of Disaster and Emergency Services as a result of the July, 1979 flood.

Included in the above appropriation is $500,000 in fiscal year 1980-81 and $500,000 in fiscal year 1981-82 for emergency expenses incurred by the Division of Disaster and Emergency Services for disasters and emergencies. These funds may only be expended at the recommendation of the Adjutant General to the Governor. Included in the above appropriation is $246,000 in fiscal year 1980-81 and $214,000 in fiscal year 1981-82 for the KEWS operations.

Included in the above appropriation is $125,000 in fiscal year 1980-81 for payment of the state's share of the cost of the Individual and Family Grant program to the Federal government. This payment provides benefits to those individuals affected by the July, 1979 flood.

TOTAL - DEPARTMENT OF MILITARY AFFAIRS

1979-80	$ 60,000
1980-81	$ 5,238,400
1981-82	$ 4,760,200

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15. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

a. Kentucky Athletic Commission

1980-81	$ 52,800
1981-82	$ 51,500

b. Board of Proprietary Education

1980-81	$ 10,000
1981-82	$ 10,000

The functions and appropriations of the agency are transferred within the Department of Finance under the Division of Occupations and Professions.

TOTAL - OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

1980-81	$ 62,800
1981-82	$ 61,500

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16. DEPARTMENT OF PERSONNEL

1980-81	$ 3,000,000
1981-82	$ 3,200,000

Included in the above appropriation is $100,000 in fiscal year 1980-81 and $125,000 in fiscal year 1981-82 for an Automobile Liability Reimbursement program to be administered by the Department of Personnel.

Notwithstanding the provisions of KRS 18.330, the above appropriations are to be used for the prorata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for all departments, commissions, boards, or other agencies which receive support from the General Fund or Revolving Trust and Agency Funds. Said appropriations may also be used for special training programs approved by the Secretary of the Department of Finance.

Relative to merit hearings before the Personnel Board, the particular agency of which the complainant is or was an employee shall bear all of the administrative costs thereof whenever the Personnel Board rules in favor of the complainant, such as for example, but not limited to, the fees of court reporters, the printing or other reproduction expenses related to hearing transcripts, and other related matters. Relative to all appeals resulting from merit hearings of the Personnel Board, including appeals to the Circuit Court, Court of Appeals, or the Supreme Court, the particular agency of which the complainant in said hearing is or was an employee shall bear all of the costs thereof whenever the courts rule in favor of the complainant, chargeable to the Personnel Board, such as for example, but not limited to, legal fees and court costs and fees.

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17. DEPARTMENT OF PUBLIC INFORMATION

1980-81	$ 1,400,000
1981-82	$ 1,450,000

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18. DEPARTMENT OF REVENUE

1980-81	$ 27,684,600
1981-82	$ 29,086,200

Included in the above appropriation is $9,880,400 in fiscal year 1980-81 and $10,514,200 in fiscal year 1981-82 for property valuation administrators; any expenses in excess of these amounts for property valuation administrators shall be deemed necessary governmental expenses.

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19. FINANCIAL DISCLOSURE REVIEW COMMISSION

1980-81	$ 1,000

The functions and appropriations are transferred to the Registry of Election Finance Office.

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20. KENTUCKY PUBLIC EMPLOYEE DEFERRED COMPENSATION SYSTEM

1980-81	$ -0
1981-82	$ -0

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21. COMMISSION ON WOMEN

1980-81	$ 112,600
1981-82	$ 114,200

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22. UNIFIED PROSECUTORIAL SYSTEM

a. Commonwealth Attorneys

1980-81	$ 5,795,000
1981-82	$ 6,136,000

b. County Attorneys

1980-81	$ 6,105,000
1981-82	$ 6,464,000

TOTAL - UNIFIED PROSECUTORIAL SYSTEM

1980-81	$ 11,900,000
1981-82	$ 12,600,000

The above appropriation includes a maximum 6% salary increase for elected officials and 5% for staff persons each fiscal year.

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23. KENTUCKY HORSE COUNCIL

1980-81	$ 22,000
1981-82	$ 22,000

The operations and appropriations of the Kentucky Horse Council are transferred to the Kentucky Horse Park in order to coordinate the equistrian activities of the Commonwealth.

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24. BOARD OF CLAIMS/CRIME VICTIMS COMPENSATION BOARD

1980-81	$ 805,800
1981-82	$ 820,000

25. CANCER COMMISSION

1980-81	$ 100,000
1981-82	$ 100,000

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26. APPROPRIATIONS NOT OTHERWISE CLASSIFIED

a. Board of Claims Awards

1980-81	$ 95,000
1981-82	$ 95,000

Funds are appropriated for the repayment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by appropriations out of the General Fund. However, awards under $500 in cases where the operating agency admits negligence shall be paid from funds available for the operations of such agencies.

b. Judgments

1980-81	$ 135,000
1981-82	$ 135,000

For payment of such judgments as may be rendered against the Commonwealth by courts and orders of the State Personnel Board; such payments, where applicable, shall be subject to the provisions of KRS Chapter 45. Also, to pay medical malpractice judgments against the University of Kentucky and the University of Louisville in accordance with KRS 164.941 and 164.892. However, in no event shall the total payments exceed the sum of $5,500,000 in any fiscal year.

c. Prior Year Claims

1980-81	$ 320,000
1981-82	$ 320,000

d. Unredeemed Checks Refunded

1980-81	$ 19,000
1981-82	$ 19,000

Checks written by the State Treasurer and not cashed within the statutory period may be presented to the State Treasurer for reissuance in accordance with the provisions of KRS 41.370.

e. Confederate Pensions

1980-81	$ 600
1981-82	$ 600

f. Blanket Employees Bonds

1980-81	$ 49,000
1981-82	$ 49,000

For payment of premiums on blanket surety bonds as provided by KRS 62.170.

g. Back Tax Collections

1980-81	$ 100,000
1981-82	$ 100,000

h. Frankfort Planning Commission

1980-81	$ 1,000
1981-82	$ 1,000

i. Frankfort Cemetery

1980-81	$ 2,500
1981-82	$ 2,500

j. Public Improvements

1980-81	$ 5,000
1981-82	$ 5,000

Funds are appropriated for paying assessments for public improvements against property owned by the State, and for which said assessments the State is deemed to be liable.

k. Police and Firemen - Life Insurance

1980-81	$ 10,000
1981-82	$ 10,000

Funds are appropriated for payment of benefits for state and local police and firemen in accordance with KRS 61.315.

l. Workmen's Compensation

1980-81	$ 160,000
1981-82	$ 160,000

Fee officers in counties over 75,000 in population.

m. Master Commissioners - Employers Retirement

1980-81	$ 31,500
1981-82	$ 31,500

n. Master Commissioners - Social Security

1980-81	$ 30,000
1981-82	$ 32,000

o. Political Parties - Income Tax Checkoff

1980-81	$ 245,000
1981-82	$ 245,000

Funds are appropriated to pay all amounts designated by taxpayers on their income tax returns for remittance to the political party of their choice in accordance with KRS 141.072.

p. Money Refunded

For refunding money paid into the State Treasury, which may later be determined not to be a lawful collection by the State. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and with the approval of the Secretary of the Department of Finance and the Attorney General.

TOTAL - APPROPRIATIONS NOT OTHERWISE CLASSIFIED

1980-81	$ 1,203,600
1981-82	$ 1,205,600

All items included within the Appropriations Not Otherwise Classified category shall be deemed necessary governmental expenses, and any expenditure over the above amounts is to be paid from the General Fund Surplus.

TOTAL - GENERAL GOVERNMENT

1979-80	$ 60,000
1980-81	$128,268,600
1981-82	$187,169,000

B. DEVELOPMENT

27. OFFICE OF THE SECRETARY

1980-81	$ 960,500
1981-82	$ 5,247,100

Included in the above appropriation is $4,245,000 in fiscal year 1981-82 for debt service payments on the Economic Development Project bonds.

Any interest accrued from investments from monies generated from the sale of the Economic Development Project bonds shall be applied to the debt service payments on the bonds.

28. DEPARTMENT OF PARKS

1979-80	$ 250,000
1980-81	$ 16,418,700
1981-82	$ 16,347,100

Included in the above appropriation is $250,000 in fiscal year 1979-80 to provide funds for the increased cost of Unemployment Insurance Benefits.

Included in the above appropriation is $100,000 in fiscal year 1980-81 and $100,000 in fiscal year 1981-82 for the implementation of the "Kentucky Trails System Act" as required by KRS 148.610 through 148.790.

Included in the above appropriation is $1,453,600 in fiscal year 1981 and $1,456,000 in fiscal year 1982 for debt service payments.

29. DEPARTMENT OF AGRICULTURE

1980-81	$ 6,968,800
1981-82	$ 7,361,400

In the event that enabling legislation to implement an egg promotion program is not enacted by the 1980 General Assembly, $50,000 in fiscal year 1980-81 and $50,000 in fiscal year 1981-82 shall remain unallotted and shall lapse to the credit of the General Fund.

30. BREAKS INTERSTATE PARK COMMISSION

1980-81	$ 152,100
1981-82	$ 152,100

For matching funds appropriated by the Commonwealth of Virginia relating to construction, maintenance, and operations at the Breaks Interstate Park. In accordance with the Breaks Interstate Compact this appropriation is contingent upon an appropriation by the Commonwealth of Virginia adequate to match this amount on an equal basis; provided, however, that appropriations to date shall be considered cumulatively, and any deficit in appropriations by this state may be removed.

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31. DEPARTMENT OF TOURISM

1980-81	$ 4,965,600
1981-82	$ 5,136,300

Included in the above appropriation is $500,000 in fiscal year 1980-81 and $500,000 in fiscal year 1981-82 for Special Events Promotion. These monies may be expended as grants to local communities and organizations for tourist related activities. All grants shall be subject to approval of the Secretary of the Development Cabinet.

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32. KENTUCKY HORSE PARK

1980-81	$ 1,553,500
1981-82	$ 1,450,500

Included in the above appropriation is $843,500 in fiscal year 1981 and $1,054,100 in fiscal year 1982 for debt service payments.

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33. DEPARTMENT OF COMMERCE

1980-81	$ 4,400,000
1981-82	$ 4,800,000

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34. STATE FAIR BOARD

1980-81	$ 4,804,800
1981-82	$ 6,612,500

Included in the above appropriation is $4,522,300 in fiscal year 1981 and $6,336,600 in fiscal year 1982 for debt service on Project 21 bond issue and the proposed Project 26 bond issue.

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35. COUNCIL ON AGRICULTURE

1980-81	$ 75,000
1981-82	$ 80,000

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36. KENTUCKY DEVELOPMENT FINANCE AUTHORITY

1981-82	$ 3,000,000

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37. DEPARTMENT FOR LOCAL GOVERNMENT

1979-80	$ 156,000
1980-81	$ 4,504,200
1981-82	$ 4,723,300

Included in the above appropriation is $156,000 in fiscal year 1979-80 for dues payments to the Appalachian Regional Commission.

Included in the above appropriation is $300,000 in fiscal year 1980-81 and $300,000 in fiscal year 1981-82 for matching funds for the EDA 304 program. Any unexpended balance at the end of the 1980-81 fiscal year shall not lapse, but shall continue into the 1981-82 fiscal year.

TOTAL - DEVELOPMENT CABINET

1979-80	$ 406,000
1980-81	$ 44,803,200
1981-82	$ 54,910,300

C. EDUCATION

38. OFFICE OF THE SECRETARY

1980-81	$ -0
1981-82	$ -0

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39. ARTS COMMISSION

a. General Operations

1980-81	$ 379,800
1981-82	$ 378,400

b. Challenge Grants

1980-81	$ 704,700
1981-82	$ 843,600

To be distributed to local arts fund raising organizations in accordance with applicable regulations promulgated by the Kentucky Arts Commission.

TOTAL - ARTS COMMISSION

1980-81	$ 1,084,500
1981-82	$ 1,222,000

40. DEPARTMENT OF EDUCATION

a. General Administration and Support Services

1980-81	$ 5,209,600
1981-82	$ 5,298,500

Funds for the basic skills testing program are included in these appropriations in the amount of $350,000 each year.

b. Education for Exceptional Children

1) General Operations

1980-81	$ 1,383,000
1981-82	$ 1,453,200

2) Residential Services

1980-81	$ 5,356,300
1981-82	$ 5,910,000

Total - Education for Exceptional Children

1980-81	$ 6,739,300
1981-82	$ 7,363,200

c. School Foundation Program

1980-81	$721,559,000
1981-82	$789,431,100

Accumulated earnings for the Common School Fund shall each fiscal year be transferred to the School Foundation Program.

The amount to be included for the 1980-81 school year in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule, for a term of 185 days for each rank:

Rank	I	II	III	IV	V
Experience					
0-3 years	$14,480	$12,630	$10,780	$8,850	$7,920
4-9 years	16,320	14,480	12,630	8,850	7,920
10 years & over	17,990	16,140	14,290	8,850	7,920

Beginning with the school year 1981-82, the amount to be included in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule, for a term of 185 days, for each rank:

Rank	I	II	III	IV	V
Experience					
0-3 years	$15,580	$13,730	$11,880	$9,950	$9,020
4-9 years	17,420	15,580	13,730	9,950	9,020
10 years & over	19,090	17,240	15,390	9,950	9,020

No working budget or salary schedule shall be approved in which the average salary paid any rank of teachers is not at least equivalent to the allotment for that rank, or in which any teacher is paid less than ninety-three percent (93%) of the School Foundation Program allotment for that rank, except where there is a decline in local revenue of the district concerned after it has levied the maximum ad valorem property tax rate permitted by law. Any such reduction permitted shall be only for the amount of the decline in local revenue.

In the event any local board of education contends there has been a decline in local tax resources in that district, the State Board for Elementary and Secondary Education shall certify such contention to the Department of Revenue. Said department shall then determine whether or not there has, in fact, been a decline in local tax resources of such district, and, if so, the amount of such decline. The Department of Revenue shall then certify its determination to the State Board for Elementary and Secondary Education, and said Board shall accept such certified determination as final.

The State Board for Elementary and Secondary Education shall not approve any working budgets or salary schedule summaries for local boards of education for the school years 1980-81 and 1981-82 in which the total amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries is not equal to the amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries in the preceding year, plus the additional amount for teachers' salaries received by the district under this appropriation for a 185 day school term by assuming the same classroom units and rank and experience of teachers in the current year as in the preceding year in each local school district.

The allotment to any school district of classroom units, pursuant to KRS 157.360(1) shall not exceed the number of teachers employed by that school district.

Entitlement for basic classroom units obtained in schools of one classification shall not be allocated to schools of another classification. For the purposes of determining such entitlement, classification shall be as follows:

(1) One-teacher schools;

(2) Schools, other than one-teacher schools, with less than one hundred pupils in average daily attendance; and

(3) Schools, other than one-teacher schools, with more than one hundred pupils in average daily attendance.

In the determination of allotments pursuant to KRS 157.360(2), there shall not be allotted a full classroom unit for any non-isolated one-teacher school with fewer than 27 pupils in average daily attendance or for any isolated one-teacher school which has fewer than 12 pupils in average daily attendance.

Notwithstanding the provisions of KRS 157.360(5), (6), and (10) the allotments, provision for which is made under this Act, for classroom units shall be as follows:

	1980-81	1981-82
Vocational Education	2,857	2,900
Exceptional Children	4,210	4,210
Kindergarten	1,000	1,000

Provided, however, that if the budgeted units in any category of classroom units — Vocational Education, Exceptional Children, Kindergarten, classroom units for elementary and secondary schools, and units related to school administration — prove to be excessive, the surplus not to exceed (100) such classroom units may be reallocated to any other category or categories by the Superintendent of Public Instruction, upon the approval of the State Board for Elementary and Secondary Education and the Secretary of the Department of Finance.

The allotments of classroom units shall be made on the average daily attendance for the end of the previous school year in public school grades one (1) through twelve (12) after the following deductions: (a) an average daily attendance of eight and four-tenths (8.4) in 1980-81 and 1981-82 shall be deducted for each vocational education unit allotted and (b) an average daily attendance of six and three-tenths (6.3) in 1980-81 and 1981-82 shall be deducted for each exceptional children unit allotted. The average daily attendance deductions for vocational education units and exceptional children units, described above, shall be used in the calculation of administrative and special instructional services (ASIS) units, as ASIS units relate to vocational education and exceptional children units allotted after 1975-76.

Allotments for classroom units pursuant to KRS 157.360(7) shall only be for those personnel enumerated under said section who are qualified for their respective positions under applicable provisions of law and regulations and who maintain programs which have been approved pursuant to applicable regulations.

The amount to be included in the Foundation Program for other current expenses in the 1980-82 biennium shall be determined by multiplying the number of classroom units by: $3,245 in the 1980-81 school year and $3,570 in the 1981-82 school year. At least 5% of the increase in value of the current expense category per unit from the preceding year over the 1980-82 biennium shall be utilized for purposes of improving salaries for the classified personnel of local school districts.

The amount to be included in the Foundation Program for capital outlay shall be determined by multiplying the number of classroom units by: $1,900 in the 1980-81 and the 1981-82 school years.

In accordance with the intent of KRS 162.060 and 162.160, no space shall be rented, purchased, or otherwise acquired and thereafter converted to classroom use without prior approval of the Superintendent of Public Instruction. The State Board for Elementary and Secondary Education may adopt regulations for the housing of school children. No facilities shall be approved for classroom use which are detrimental to the health of or dangerous to the safety of school children.

If a school district operates any school or grade of a school for a term of less than 185 days in accordance with KRS 158.070 or for a school day of less than the minimum required by KRS 158.060, the average daily attendance of such school shall be reduced proportionately by the Superintendent of Public Instruction in determining the allotment of classroom units.

Any undistributed balance in the Foundation Program fund at the end of the fiscal year 1980-81 and 1981-82 shall lapse to the General Fund except where provisions to the contrary are provided in this Act. No unexpended portions of the School Foundation Program fund shall be expended at any time for the purpose of KRS 156.610 through 156.650 except as identified in this Act.

The total appropriation for the School Foundation Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 et. seq. If the required expenditures exceed these estimates, the Secretary of the Department of Finance, with approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the hereinabove cited sections of the Kentucky Revised Statutes; provided, however, that any such increase, of the total appropriation to the Foundation Program is subject to Part VI, General Provisions, Section 8, of this Act, and the provisions of KRS 45.160.

Included in this appropriation is $1,545,800 for 1980-81 and $1,623,100 for 1981-82 for Vocational Transportation.

d. Power Equalization

1980-81 .... $ 39,700,000
1981-82 .... $ 45,700,000

Funds are appropriated for the purpose of equalizing expenditures among students in local school districts in accordance with KRS 157.545 - 157.575.

e. Instruction

1980-81 .... $ 11,618,900
1981-82 .... $ 16,438,200

Included in the above appropriation is $8,688,300 in fiscal year 1980-81 and $12,593,000 in fiscal year 1981-82 for the purchase of free textbooks in public schools.

Funds for programs for Gifted Students are included in the above appropriations. Amounts total $1,196,900 for 1980-81 and $1,980,700 for 1981-82. Also included is $400,000 each year for Career Education programs..

f. Administration and Finance for Local School Systems

1980-81 .... $ 1,372,100
1981-82 .... $ 1,438,700

g. Out-of-District Children

1980-81 .... $ 2,097,000
1981-82 .... $ 2,765,800

Funds are provided for reimbursement to local school districts for programs provided in accordance with KRS 158.135 and applicable regulations. Provided, however, that if sufficient funds are not available to reimburse each district for the total cost of the services, each allocation shall be reduced in accordance with Part VI, General Provisions, Section 8 of this Act.

h. Teacher Life Insurance

1980-81 .... $ 771,500
1981-82 .... $ 781,200

For providing life insurance to each full-time certificated and non-certificated employee of local boards of education. If the cost for life insurance exceeds the level of appropriated funds, any unexpended School Foundation Programs funds may be used to offset such expenditures, subject to the approval of the Secretary of the Department of Finance.

i. Committee for School District Audits

1980-81 .... $ 267,900
1981-82 .... $ 293,100

j. Replacement of Student Fees

1980-81 .... $ 9,022,900
1981-82 .... $ 8,930,200

To be distributed to local school districts in accordance with appropriate administrative regulations to be promulgated by the Department of Education, for the abolishment of student fees.

Local school districts shall be required to account for and report all expenditures of these funds.

k. Teacher Health Insurance

1980-81	$ 18,044,900
1981-82	$ 21,057,200

Funds are provided for the purchase of medical insurance for certificated and non-certificated full-time employees of local boards of education pursuant to applicable statutes and regulations. If the cost for health insurance exceeds the level of appropriated funds, any unexpended School Foundation Program funds may be used to offset such expenditures, subject to the approval of the Secretary of the Department of Finance.

l. State School Lunch Assistance

1980-81	$ 4,193,000
1981-82	$ 4,702,700

m. Vocational Education

1980-81	$ 37,200,700
1981-82	$ 41,609,800

These appropriations include funds for the Division of Adult Education. Included in the above appropriation is $133,105 in fiscal year 1980-81 and $129,875 in fiscal year 1981-82 for debt service on Project 12 Revenue Bonds. Also included is $1,240,000 each year for lease payments to the Kentucky School Building Authority.

n. Rehabilitation Services

1980-81	$ 3,660,900
1981-82	$ 3,839,100

TOTAL - DEPARTMENT OF EDUCATION

1980-81	$861,457,700
1981-82	$949,648,800

41. KENTUCKY EDUCATIONAL TELEVISION

1980-81	$ 5,484,700
1981-82	$ 5,899,900

Included in the above appropriation is $608,250 in fiscal year 1980-81 and $611,000 in fiscal year 1981-82 for debt service.

42. HERITAGE COMMISSION

1980-81	$ 367,900
1981-82	$ 386,500

43. HISTORICAL SOCIETY

1980-81	$ 1,199,700
1981-82	$ 1,234,300

The amount of $10,000 each year is included in the above appropriation for an emergency maintenance fund for the Old Capitol and Annex.

44. DEPARTMENT OF LIBRARY AND ARCHIVES

1980-81	$ 6,000,000
1981-82	$ 8,431,900

Included in the above appropriations is $500,000 for 1980-81 and $1,000,000 for 1981-82 for the purchase of textbooks for non-public schools. The Department may purchase and distribute the textbooks or it may transfer these funds to another agency of state government to purchase and distribute the textbooks to non-public schools. The appropriation for 1981-82 includes $1,600,000 for lease payments to the Department of Finance for the new State Library and Archives Building.

45. BUREAU FOR THE BLIND

1980-81	$ 926,500
1981-82	$ 978,400

Included in the above appropriation is $395,400 in fiscal year 1980-81 and $400,000 in fiscal year 1981-82 for Kentucky Industries for the Blind.

TOTAL - EDUCATION AND ARTS

1980-81	$876,521,000
1981-82	$967,801,800

46. KENTUCKY SCHOOL BUILDING AUTHORITY

1980-81	$ 585,000
1981-82	$ 4,869,500

The appropriation for 1981-82 includes $1,280,500 for debt service payments on bonds issued in the 1978-80 biennium. Amounts totaling $500,000 in 1980-81 and $3,500,000 in 1981-82 are included for debt service payments on additional bond issues in the 1980-82 biennium.

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47. TEACHERS' RETIREMENT SYSTEM

1980-81	$ 89,830,300
1981-82	$100,977,600

For administering and complying with the obligations of the state under the Teachers' Retirement System statutes as provided in KRS 161.220 through 161.710.

Included in the above appropriation is $1,400,000 in fiscal year 1980-81 and $1,533,000 in fiscal year 1981-82 to cover increased employer contributions for the member universities. This appropriation is contingent upon enabling legislation, and if such legislation is not enacted, the above amounts shall lapse to the General Fund. Pending this legislation, the funds above shall allow a two and two hundred fifteen thousandths percent (2.215%) increase in the employer's contribution rate and a like percentage decrease in the employee's contribution rate.

Notwithstanding the employer contribution rates and benefit improvements effective July 1, 1980 established under the provisions of KRS 161.540(3) and 161.620(1)(b), each year of service performed between July 1, 1941 and July 1, 1982 shall be valued at two percent (2%) of the final average salary. For retirements effective July 1, 1982, and thereafter, the allowance for service performed after July 1, 1982, shall be valued at two and five-tenths percent (2.5%) of the final average salary for all members not employed by a state university or college, and two percent (2%) of the final average salary for members employed by a state university or college. Prior to July 1, 1982, each member employee shall contribute to the retirement system seven and eighty-four hundreds percent (7.84%) of annual compensation, except where KRS provisions otherwise define employee contributions of members employed by a state university or college. After July 1, 1982, each member employee not employed by a state university or college shall contribute to the retirement system nine and thirty-two hundreds percent (9.32%) of annual compensation.

TOTAL - EDUCATION AND ARTS, SCHOOL BUILDING AUTHORITY AND TEACHERS' RETIREMENT SYSTEM

1980-81	$966,936,300
1981-82	$1,073,648,900

D. HIGHER EDUCATION

48. COUNCIL ON HIGHER EDUCATION

1980-81	$ 9,868,500
1981-82	$ 14,765,400

The above appropriation contains $1,904,900 for FY 1980-81 and $2,088,000 for FY 1981-82 for the Area Health Education System. Of the amount provided for the Area Health Education System, $202,000 in FY 80-81 and $298,000 in FY 81-82 is for the Professional Education Preparation Program. Any unexpended balance at the close of the 1980-81 fiscal year for the Area Health Education System shall not lapse, but shall continue into the 1981-82 fiscal year.

Also, included in the above appropriation is $4,301,400 for fiscal year 1980-81 and $8,753,100 for fiscal year 1981-82 for Institutional Pools. The amount for FY 80-81 is for salary adjustments to upgrade faculty and staff salary levels at the universities and community colleges and for enrollment adjustments to offset any tuition loss due to a decline in enrollment. The $8,753,100 for fiscal year 1981-82 is for salary adjustments at the universities. The Council shall notify the institutions of the distribution of the salary adjustment funds on or prior to June 1 preceding the fiscal year for which appropriations are made.

Also included in the appropriation to the Council on Higher Education is $62,500 in each fiscal year for the purpose of acquiring ten (10) additional veterinary medicine contract spaces at an SREB institution.

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49. HIGHER EDUCATION ASSISTANCE AUTHORITY

1980-81	$ 4,639,000
1981-82	$ 5,469,000

Included in the above appropriation is $2,330,000 for fiscal year 1980-81 and $2,336,000 for fiscal year 1981-82 for the State Student Incentive Grant Program. Also included is $2,309,000 for FY 1980-81 and $3,133,000 for FY 1981-82 for the Kentucky Tuition Grant Program.

50. UNIVERSITY OF KENTUCKY	
1980-81	$135,113,000
1981-82	$150,907,000
51. UNIVERSITY OF LOUISVILLE	
1980-81	$ 74,335,700
1981-82	$ 83,588,100
52. EASTERN KENTUCKY UNIVERSITY	
1980-81	$ 29,957,200
1981-82	$ 33,051,200
53. WESTERN KENTUCKY UNIVERSITY	
1980-81	$ 28,366,600
1981-82	$ 31,294,000
54. MOREHEAD STATE UNIVERSITY	
1980-81	$ 18,418,400
1981-82	$ 20,133,400
55. MURRAY STATE UNIVERSITY	
1980-81	$ 22,668,300
1981-82	$ 24,934,500
56. KENTUCKY STATE UNIVERSITY	
1980-81	$ 9,224,100
1981-82	$ 10,166,700
57. NORTHERN KENTUCKY UNIVERSITY	
1980-81	$ 16,713,700
1981-82	$ 19,554,400
TOTAL - HIGHER EDUCATION	
1980-81	$349,304,500
1981-82	$393,863,700

E. HUMAN RESOURCES

58. DEPARTMENT FOR HUMAN RESOURCES

a. Bureau for Social Insurance

1. Administration

1980-81	$ 27,164,500
1981-82	$ 29,011,800

In the event that any portion of this appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the bureau, such amount, with the approval of the Governor, may be used for Public Assistance Benefits to the needy in accordance with the statutes governing the functions and activities of the Bureau for Social Insurance. In no instance shall these excess funds be used, without the prior written approval of the Governor, to:

1. establish a new program,
2. expand the services of an existing program,
3. increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the Governor's written approval and supporting documents from the Department for Human Resources and the Department of Finance. Notwithstanding KRS 45.235, any unexpended balance not used for Public Assistance Benefits remaining at the close of the 1980-81 fiscal year shall lapse.

2. Benefits

1980-81	$168,508,100

1981-82	$189,018,600

To be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Bureau for Social Insurance.

Included in the above appropriation for benefits is $1,000,000 in fiscal year 1980-81 and $1,000,000 in fiscal year 1981-82 to continue the Crisis Oriented Program for Emergencies. Also included is $1,500,000 in fiscal year 1980-81 and $1,500,000 in fiscal year 1981-82 for the Aid to Families with Dependent Children-Emergency Assistance subprogram.

The Department is hereby directed to develop and implement by the second year of the biennium (FY 82) a Medicaid Cost Containment Plan. A preliminary report which describes the plan and its anticipated results shall be made prior to the beginning of the 1982 Regular Session of the General Assembly to the Interim Committees on Health and Welfare and Appropriations and Revenue. Beginning with the 1982 fiscal year, an annual report shall be made no later than ninety (90) days following the close of the fiscal year.

No portion of this appropriation may be used for the costs of administration except with the prior written approval of the Governor. In no instance shall the unexpended balance carried forward, as provided by KRS 45.235, or any portion thereof be used, without the prior written approval of the Governor, to:

1. establish a new program,
2. expand the services of an existing program,
3. increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the Governor's written approval and supporting documents from the Department for Human Resources and the Department of Finance.

All medical assistance vendor statements for services rendered as a result of bona fide claims for medical care may be paid in the fiscal year in which such statements are received by the paying agency.

b. Bureau for Manpower Services

1980-81	$ 620,600
1981-82	$ 631,600

Included in the above appropriation is $24,000 for the 1980-81 fiscal year and $24,000 for the 1981-82 fiscal year for promotion of the WIN tax incentive available to employers who hire Work Incentive program registrants.

c. Bureau for Health Services

1980-81	$ 83,526,800
1981-82	$ 92,531,500

Included in the above appropriation for fiscal year 1980-81 is $120,400 for the gerontology subprogram; $180,000 for the mycology subprogram; $7,345,500 for the Local Mental Health Administration and Grants program; $8,811,200 for the Local Health Departments Administration and Grants program; $200,000 for reimbursement of Level II and III perinatal care centers; $100,000 to the Kentucky Easter Seal Society for operation of Camp Kysoc and Camp Green Shores; and $622,200 for diabetes screening.

Included in the above appropriation for fiscal year 1981-82 is $120,000 for the gerontology subprograms; $180,000 for the mycology subprogram; $7,599,600 for the Local Mental Health Administration and Grants program; $9,403,700 for the Local Health Departments Administration and Grants program; $300,000 for reimbursement of Level II and III perinatal care centers; $100,000 to the Kentucky Easter Seal Society for operation of Camp Kysoc and Camp Green Shores, and $730,500 for diabetes screening.

d. Bureau for Social Services

1980-81	$ 30,308,700
1981-82	$ 32,528,100

Included in the above appropriation for fiscal year 1980-81 is $2,182,100 for the Social Services for Adults program; and $131,000 for expansion of the Special Needs Adoption Project in the program, Social Services for Families.

Included in the above appropriation for fiscal year 1981-82 is $2,251,015 for the Social Services for Adults program and $131,100 for expansion of the Special Needs Adoption Project in the program, Social Services for Families.

The percentage share of General Funds allotted through contract with Comprehensive Care Centers for fiscal years 1980-81 and 1981-82 for provision of social services under the state Title XX Plan shall be no less than the percentage share allotted to each center in its fiscal year 1979-80 contract with the Department.

e. Executive Policy Support

1980-81	$ 13,081,400
1981-82	$ 13,456,400

TOTAL - HUMAN RESOURCES

1980-81	$323,210,100

1981-82 .... $357,178,000

F. JUDICIARY

59. JUDICIARY

a. Court Operation and Administration

1980-81 .... $ 37,157,900
1981-82 .... $ 49,860,600

To be used for the purposes of the Supreme Court, Court of Appeals, Circuit Court, District Court, the Administrative Office of the Courts, Pretrial Services, Judicial Boards and Commissions, the State Law Library, and for services performed by the Circuit Clerk offices, including both circuit and district court support.

Included in the above appropriation is $562,700 in fiscal year 1980-81 and $1,768,500 in fiscal year 1981-82 to be used for salary improvements for judicial support personnel. The specific allocation of these funds shall be made by Administrative Office of the Courts at the direction of the Chief Justice. Also included is an amount not to exceed six hundred dollars ($600) monthly which shall be provided and paid to the Chief Justice as a contingent expense fund to meet additional expenses associated with the position of Chief Justice of the Commonwealth. Funding is also provided for the expansion of the Pretrial Services for both years of the biennium, the establishment of a pool to provide temporary assistance for the offices of the circuit clerks. The specific allocation of these funds shall be made by the Administrative Office of the Courts. Funding is provided for additional clerks each year of the biennium.

b. Judicial Retirement and Retirement Board

1980-81 .... $ 1,935,000
1981-82 .... $ 1,945,400

To be used for the purposes of funding and the administration of the Judicial Retirement System.

c. Local Facility Support

1980-81 .... $ 6,441,400
1981-82 .... $ 7,131,000

To be used to fund court facilities in support of the Court of Justice.

TOTAL - JUDICIARY

1980-81 .... $ 45,534,300
1981-82 .... $ 48,937,000

G. JUSTICE

60. DEPARTMENT OF JUSTICE

a. Bureau of Training

1980-81 .... $ 2,250,300
1981-82 .... $ 2,369,100

b. Bureau of Corrections

1980-81 .... $ 36,431,000
1981-82 .... $ 43,360,700

Included in the above appropriation is $200,000 in FY 81 and $1,100,000 in FY 82 for services which effectuate improved classification of prisoners, evaluation of programs and increased work opportunities and medical services.

Included in the above appropriation is $2,500,000 in FY 1981-82 for debt service payments on the bond issue for the new correctional institution. To the extent that these funds, or any part thereof, may not be needed to meet debt service requirements, they may be transferred to the capital construction fund for the purpose of planning and design of the designated facility.

c. Bureau of State Police

1980-81 .... $ 50,197,100
1981-82 .... $ 52,927,400

For each year of the biennium, $2,500,000 is provided for Capital Security and Park Rangers. The above appropriation includes $1,100,000 in FY 81 and $790,000 in FY 82 for KEW's and $220,000 in FY 82 for expanded laboratory services.

Any extraordinary expenditures of funds as a result of the Governor's call of the Kentucky State Police to extraordinary duty is hereby declared to be a necessary governmental expense; provided, however, that an emergency situation shall have been declared to exist by the Governor.

d. Office of Public Advocacy

1979-80	$ 350,000
1980-81	$ 3,872,000
1981-82	$ 4,352,000

An additional $350,000 is provided in FY 80 for local defense of indigents. Grants for local defense are funded at $2,070,000 in FY 81 and $2,100,300 in FY 82.

e. Justice Administration

1980-81	$ 8,848,000
1981-82	$ 8,992,500

Under the provisions of the Kentucky Law Enforcement Fund, an eligible local unit of government shall be entitled to receive a supplement to each qualified police officer's annual salary from the law enforcement foundation program fund, to be paid to each officer in addition to his regular salary. The state supplement for each qualifying officer shall be a standard fee which shall be determined by the Department of Justice in accordance with available funding. The same fee shall be utilized for all officers. Funding for educational incentive shall be eliminated, those monies are to be used for training incentive programs.

The annual criminal justice plan developed by the Department of Justice as required by Federal law shall be submitted upon publication to the Interim Joint Appropriations and Revenue Committee.

TOTAL - DEPARTMENT OF JUSTICE

1979-80	$ 350,000
1980-81	$101,598,400
1981-82	$112,001,700

H. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

61. DEPARTMENT FOR NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

a. Bureau for Natural Resources

1980-81	$ 6,942,300
1981-82	$ 7,605,300

Not less than $60,000 of the appropriation for each fiscal year shall be set aside for emergency forest fire suppression. Any expenditure for emergency fire suppression in excess of this amount in either fiscal year is deemed to be a necessary government expense by written order of the Governor upon certification by Secretary of Finance as to the advisability of such expenditure.

Included in the above is $250,000 in fiscal year 1980-81 and $250,000 in fiscal year 1981-82 which may be used for direct aid to conservation districts.

Included in the above appropriation is $280,000 in fiscal year 1980-81 and $470,000 in fiscal year 1981-82 to be used for engineering studies to assess the structural safety and the cost of repairing locally owned water supply dams. These monies may be granted to municipalities or counties on a 50/50 matching basis.

b. Bureau for Environmental Protection

1979-80	$ 491,500
1980-81	$ 6,991,700
1981-82	$ 7,521,500

In the event that enabling legislation to implement a vehicle emissions inspection program is not enacted by the 1980 General Assembly, $216,200 in fiscal year 1980-81 and $298,700 in fiscal year 1981-82 of the above appropriations shall remain unallotted and shall lapse to the credit of the General Fund.

Included in the above appropriation is $491,500 in fiscal year 1979-80, $1,200,000 in fiscal year 1980-81 and $1,200,000 in fiscal year 1981-82 for the maintenance, operations, and improvements necessary at Maxey Flats.

c. Bureau for Surface Mining Reclamation and Enforcement

1980-81	$ 4,858,000
1981-82	$ 4,447,100

Any extraordinary expenditure of funds which may result from the Commonwealth's efforts to attain primacy under Public Law 95-87 may be deemed to be a necessary government expense by written order of the Governor only upon certification as to need from the Secretary for Natural Resources and Environmental Protection to the Governor and upon written recommendation of the Secretary of Finance to the Governor as to the advisability of such an expenditure.

Included in the above appropriation is $448,500 in fiscal year 1980-81 and $472,500 in fiscal year 1981-82 for the Small Coal Operators Assistance Program.

d. General Administration and Support

1980-81	$ 2,434,900
1981-82	$ 2,598,900

TOTAL - DEPARTMENT FOR NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1979-80	$ 491,500
1980-81	$ 21,226,900
1981-82	$ 22,172,800

62. ENVIRONMENTAL QUALITY COMMISSION

1980-81	$ 49,900
1981-82	$ 53,200

63. KENTUCKY NATURE PRESERVES COMMISSION

1980-81	$ 139,900
1981-82	$ 148,700

TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1979-80	$ 491,500
1980-81	$ 21,416,700
1981-82	$ 22,374,700

I. PUBLIC PROTECTION AND REGULATION

64. OFFICE OF THE SECRETARY

1980-81	$ 226,300
1981-82	$ 245,800

65. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1980-81	$ 1,052,900
1981-82	$ 1,111,100

66. DEPARTMENT OF BANKING AND SECURITIES

1980-81	$ 1,879,800
1981-82	$ 1,975,300

Notwithstanding the provision of KRS 47.130, receipts collected by the Department shall be deposited to the credit of the General Fund.

67. BOARD OF TAX APPEALS

1980-81	$ 126,200
1981-82	$ 137,000

68. DEPARTMENT OF INSURANCE

1980-81	$ 1,813,900
1981-82	$ 1,803,700

69. DEPARTMENT OF LABOR

1980-81	$ 1,398,100
1981-82	$ 1,429,700

Included in the above appropriation is $72,000 in fiscal year 1980-81 and $45,000 in fiscal year 1981-82 for the Western Kentucky Area Labor-Management Committee.

70. REGISTRY OF ELECTION FINANCE

1980-81	$ 223,600
1981-82	$ 235,600

71. DEPARTMENT OF MINES AND MINERALS

1980-81	$ 4,366,300
1981-82	$ 5,304,700

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72. ENERGY AND UTILITY REGULATORY COMMISSIONS

1980-81	$ 1,507,400
1981-82	$ 2,452,800

For the 1980-82 biennium the assessment on regulated utilities revenues, in accordance with KRS 278.130, shall not exceed the FY 1979-80 rate of 1.21 mils.

In the event that an assessment of 1.21 mils would produce revenues greater than the amounts appropriated herein for either year of the biennium, an additional amount not to exceed $323,800 in FY 1980-81, and an additional amount not to exceed $323,700 in FY 1981-82, is hereby appropriated from the General Fund for operational improvements of the Commissions.

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73. KENTUCKY STATE RACING COMMISSION

1980-81	$ 320,600
1981-82	$ 337,400

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74. KENTUCKY HARNESS RACING COMMISSION

1980-81	$ 406,600
1981-82	$ 430,300

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75. DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION

1980-81	$ 4,493,900
1981-82	$ 5,689,000

Included in the above appropriation is $690,000 in fiscal year 1980-81 and $715,000 in fiscal year 1981-82 for the Fire Department Aid as prescribed by KRS 17.210 through KRS 17.270. Also included in the appropriation is $1,000,000 in fiscal year 1980-81 and $2,000,000 in fiscal year 1981-82 for the Firefighter's Pay Incentive program. In the event enabling legislation authorizing this program is not enacted by the 1980 General Assembly these funds shall remain unallotted and lapse to credit of the General Fund.

TOTAL - PUBLIC PROTECTION AND REGULATION

1980-81	$ 17,815,600
1981-82	$ 21,152,400

J. TRANSPORTATION

76. DEPARTMENT OF TRANSPORTATION

a. Air Transportation

1980-81	$ 2,245,300
1981-82	$ 2,264,600

Included in the above appropriation is $2,126,800 in fiscal year 1980-81 and $2,139,800 in fiscal year 1981-82 for the Airport Development Fund. The total General Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with KRS 45.322(b).

b. Water Transportation

1980-81	$ 1,132,200
1981-82	$ 1,188,300

The total General Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with the provisions of KRS 45.322(b).

c. Rail Transportation

1980-81	$ 60,500
1981-82	$ 60,500

The total General Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with KRS 45.322(b).

d. Public Transportation

1980-81	$ 903,500
1981-82	$ 903,500

Included in the above appropriation is $500,000 each fiscal year for the purchase of general municipal transportation vehicles and $200,100 each fiscal year for an Energy Conservation program. The total General

Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with KRS 45.322(b).

e. General Administration and Support

1980-81	$ 642,600
1981-82	$ 653,200

Included in the above appropriation is $50,000 each fiscal year for payment of unemployment insurance claims. The total General Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with the provisions of KRS 45.322(b).

f. Highways

1) Bureau of Vehicle Regulation (Except Division of Water Enforcement)

1980-81	$ 5,639,800
1981-82	$ 4,964,800

Included in the above appropriation is $1,170,000 in fiscal year 1980-81 and $195,000 in fiscal year 1981-82 to reissue license plates in fiscal year 1982-83.

The total General Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with the provisions of KRS 45.322(b).

2) Coal Impact Road Fund

1979-80	$ 1,500,000

These funds are appropriated to the coal impact road fund. In the event that enabling legislation for the local government assistance program is enacted by the 1980 General Assembly, the above appropriation shall not be in addition to any other special appropriation which may be authorized for this purpose for 1979-80.

3) Energy Road Fund

1979-80	$ 4,500,000

The sum of $4,500,000 of these funds are appropriated to the Bureau of Highways in accordance with enabling legislation enacted by the 1980 General Assembly for this purpose.

TOTAL - TRANSPORTATION CABINET

1979-80	$ 6,000,000
1980-81	$ 10,623,900
1981-82	$ 10,034,900

K. ENERGY

77. DEPARTMENT OF ENERGY

a. General Operations

1980-81	$ 8,197,200
1981-82	$ 9,727,200

Included in the above appropriation are funds for the Kentucky Geological Survey.

b. Demonstration Trust Fund

1980-81	$ 3,000,000
1981-82	$ 6,000,000

Included in the above appropriation in fiscal year 1981-82 is $3,000,000 for debt service in accordance with the provisions of KRS 152.757. In the event that project bonds are not sold, for the proposed Solvent Refined Coal Project, $3,000,000 in fiscal year 1981-82 shall remain unallotted and shall lapse to General Fund surplus.

Any interest accrued from investment of monies generated from the sale of bonds for funding for the Solvent Refined Coal Project shall be applied to debt service payments on the bonds.

TOTAL - DEPARTMENT OF ENERGY

1980-81	$ 11,197,200
1981-82	$ 15,727,200

PART II
TRUST AND AGENCY FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending

June 30, 1981, and for the fiscal year ending June 30, 1982, all of the fees (which include fees for board and room, athletics, and student activities) and rental, admittances, sales, bond proceeds, licenses collected by law, gifts, subventions, contributions, income from investments and other miscellaneous receipts produced or received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Trust and Revolving, or an Agency Fund out of which shall be established separate Trust and Revolving or Agency Fund accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS Chapters 12, 42, and 45.

In the event receipts received and credited to any Trust and Revolving or Agency Fund account during fiscal year 1980-81 or fiscal year 1981-82 and any balance forwarded to the credit of any such account from the previous year, exceed, by the sum of five percent (5%), the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Office for Policy and Management upon approval of the Secretary of the Department of Finance; provided, however, that institutions of higher education may receive and expend all trust and agency funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Trust and Revolving or Agency Fund account, through the Department of Finance, during the fiscal year ending June 30, 1981, and during the fiscal year ending June 30, 1982, all receipts placed to the credit of the Trust and Revolving or Agency Fund for such year, out of which has been established a Trust and Revolving or Agency Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Department of Finance. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Department of Finance and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures, a comparative statement of any revised estimated receipts and expenditure with amounts provided in the executive budget as adopted by the 1980 General Assembly, and statements which explain the occurence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of Finance, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Office for Policy and Management, the credit and expenditure of such funds for statutory purposes. The Secretary of Finance shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of Finance, in consultation with the Interim Joint Committee on Appropriations and Revenue, shall provide appropriate notice pursuant to this event to the Legislative Research Commission.

A. GENERAL GOVERNMENT

1. AUDITOR OF PUBLIC ACCOUNTS

a. Auditing County Governments

1980-81	$ 516,400
1981-82	$ 500,000

The above receipts are based upon current per diem auditing rates. The Department of Finance shall withhold any monies due County Government which are delinquent for the term of one hundred and twenty (120) days in payment of fees to the State Auditor.

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2. SECRETARY OF STATE

Notwithstanding the provisions of KRS 118.610, 271A.625, KRS 271A.630, KRS 271A.635, and KRS 56.300; all the operating receipts from all activities of the office of the Secretary of State shall be deposited in the State Treasury to the credit of the General Fund.

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3. TREASURY

1980-81	$ 168,600
1981-82	$ 171,400

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4. DEPARTMENT OF LAW

1980-81	$ 1,394,800

1981-82..$ 1,487,600

The above funds include $1,221,200 in fiscal year 1980-81 and $1,342,700 in fiscal year 1981-82 for the Uninsured Employers' Fund.

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5. CAPITAL PLAZA

1980-81..$ 2,190,200
1981-82..$ 2,210,000

The above funds include $1,859,400 in fiscal year 1980-81 and $1,859,600 in fiscal year 1981-82 for the payment of the Debt Service of the Capital Plaza.

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6. DEPARTMENT OF FINANCE

1980-81..$ 44,547,100
1981-82..$ 47,465,600

All funds received under any program of anti-recession or counter cyclical assistance enacted by the United States Congress are hereby appropriated to the Department of Finance to be used for the maintenance of basic services in and among the various agencies, cabinets, and departments of state government. Any portion of these funds may be transferred to other major program areas or agencies of state government for the purpose of continuing basic services; provided, however, that such transfers shall be used to reduce General Fund appropriations and shall not in any way increase the expenditure level authorized by the General Assembly.

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7. KENTUCKY RETIREMENT SYSTEMS

1980-81..$ 820,100
1981-82..$ 877,000

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8. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

		1980-81	1981-82
a.	Board of Accountancy	$133,700	$142,700
b.	Board of Architects	$ 81,100	$ 79,000
c.	Board of Auctioneers	$ 70,900	$ 74,900
d.	Board of Barbers	$110,300	$110,800
e.	Board of Chiropractic Examiners	$ 39,000	$ 39,000
f.	Board of Dental Examiners	$109,300	$116,200
g.	Board of Embalmers and Funeral Directors	$ 52,700	$ 57,500
h.	Board of Engineers and Land Surveyors	$133,500	$139,500
i.	Board of Hairdressers and Cosmetologists	$335,600	$358,300
j.	Board of Hearing Aid Dealers	$ 10,000	$ 10,200
k.	Board of Landscape Architecture	$ 10,600	$ 11,100
l.	Board of Medical Licensure	$177,600	$185,000
m.	Board of Nurses	$409,600	$453,800
n.	Nursing Home Administrators Licensure Board	$ 32,800	$ 32,800
o.	Board of Ophthalmic Dispensers	$ 9,100	$ 9,600
p.	Board of Optometric Examiners	$ 32,000	$ 32,000
q.	Board of Pharmacy	$182,100	$198,400
r.	Board of Physical Therapy	$ 25,000	$ 28,500
s.	Board of Podiatry	$ 2,600	$ 2,600
t.	Board of Proprietary Education	$ 23,400	$ 23,400
u.	Board of Psychology	$ 27,100	$ 29,200
v.	Real Estate Commission		
	1. Examination and Licensing	$407,300	$405,000
	2. Real Estate Education Research and Recovery	$549,000	$640,500
w.	Board of Social Workers	$ 42,100	$ 42,100
x.	Board of Speech Pathologists and Audiologists	$ 13,100	$ 12,200
y.	Board of Veterinary Examiners	$ 23,300	$ 24,500
z.	Board of Watchmaking	$ 10,400	$ 10,400

9. DEPARTMENT OF PERSONNEL

1980-81	$ 847,200
1981-82	$ 858,200

10. COUNTY FEES

	1980-81	1981-82
Jefferson County	$7,500,000	$8,250,000
Kenton County	$1,560,000	$1,720,000
Campbell County	$ 828,000	$ 910,000
Fayette County	$4,085,000	$4,490,000
Daviess County	$1,015,000	$1,115,000

County Fees for the following counties: Jefferson, Kenton, Fayette, Campbell, and Daviess are for paying the various officials of each county enumerated, seventy-five percent (75%) of the fees provided by law to be paid, by the State, to these officials when their claims for fees have been presented to the Department of Finance in the form and manner prescribed by law and approved by the Secretary of the Department of Finance, and to pay the Fiscal Court of each of said counties twenty-five percent (25%) of said fees as required by KRS 64.350.

11. MILITARY AFFAIRS

1980-81	$ 30,000
1981-82	$ 30,000

12. KENTUCKY HORSE COUNCIL

1980-81	$ 15,300
1981-82	$ 18,200

13. BOARD OF ELECTIONS

1980-81	$ 104,100
1981-82	$ 10,000

14. COMMISSION ON HUMAN RIGHTS

1980-81	$ 3,000
1981-82	$ 3,000

15. COMMISSION ON WOMEN

1980-81	$ 2,400
1981-82	$ 2,500

B. DEVELOPMENT

16. DEPARTMENT OF PARKS

1980-81	$ 24,121,400
1981-82	$ 25,991,900

17. DEPARTMENT OF AGRICULTURE

1980-81	$ 1,414,000
1981-82	$ 1,381,800

18. DEPARTMENT OF FISH AND WILDLIFE

1980-81	$ 9,138,800
1981-82	$ 9,857,000

19. DEPARTMENT OF COMMERCE

1980-81	$ 190,000
1981-82	$ 120,000

20. DEPARTMENT FOR LOCAL GOVERNMENT

1980-81	$ 1,728,100

	1981-82	$ 1,728,100
21.	KENTUCKY STATE HORSE PARK	
	1980-81	$ 2,456,000
	1981-82	$ 2,922,000
22.	STATE FAIR BOARD	
	1980-81	$ 9,704,400
	1981-82	$ 10,384,200
23.	KENTUCKY DEVELOPMENT FINANCE AUTHORITY	
	1980-81	$ 1,689,800
	1981-82	$ 2,057,800

C. EDUCATION

24.	ARTS COMMISSION	
	1980-81	$ 50,000
	1981-82	$ 50,000
25.	DEPARTMENT OF EDUCATION	
	a. Administration and Finance for Local School Systems	
	1980-81	$ 665,000
	1981-82	$ 665,000
	b. Vocational Education	
	1980-81	$ 14,814,800
	1981-82	$ 15,466,300
26.	KENTUCKY EDUCATIONAL TELEVISION	
	1980-81	$ 285,000
	1981-82	$ 305,000
27.	HISTORICAL SOCIETY	
	1980-81	$ 244,200
	1981-82	$ 243,200
28.	DEPARTMENT OF LIBRARY AND ARCHIVES	
	1980-81	$ 97,000
	1981-82	$ 99,000
29.	BUREAU FOR THE BLIND	
	1980-81	$ 890,000
	1981-82	$ 905,000

D. HIGHER EDUCATION

30.	COUNCIL ON HIGHER EDUCATION	
	1980-81	$ 72,300
31.	HIGHER EDUCATION ASSISTANCE AUTHORITY	
	1980-81	$ 2,975,200
	1981-82	$ 4,009,600
32.	UNIVERSITY OF KENTUCKY	
	1980-81	$122,923,700
	1981-82	$127,313,200

33. UNIVERSITY OF LOUISVILLE

1980-81	$ 68,713,000
1981-82	$ 69,025,200

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34. EASTERN KENTUCKY UNIVERSITY

1980-81	$ 21,911,700
1981-82	$ 21,911,600

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35. WESTERN KENTUCKY UNIVERSITY

1980-81	$ 16,280,100
1981-82	$ 16,858,100

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36. MOREHEAD STATE UNIVERSITY

1980-81	$ 9,368,300
1981-82	$ 9,553,300

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37. MURRAY STATE UNIVERSITY

1980-81	$ 10,531,800
1981-82	$ 10,804,300

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38. KENTUCKY STATE UNIVERSITY

1980-81	$ 3,634,400
1981-82	$ 3,634,400

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39. NORTHERN KENTUCKY UNIVERSITY

1980-81	$ 4,982,200
1981-82	$ 5,042,300

E. HUMAN RESOURCES

40. DEPARTMENT FOR HUMAN RESOURCES

a. Bureau for Social Insurance	
1. Administration	
1980-81	$ 214,700
1981-82	$ 233,000
2. Benefits	
1980-81	$ 2,237,000
1981-82	$ 2,466,000
b. Bureau for Manpower Services	
1980-81	$ 1,349,500
1981-82	$ 1,379,000
c. Bureau for Health Services	
1980-81	$ 23,232,600
1981-82	$ 23,744,300
d. Bureau for Social Services	
1980-81	$ 9,068,900
1981-82	$ 9,387,100
e. Executive Policy Support	
1980-81	$ 5,078,200
1981-82	$ 5,471,800

F. JUDICIARY

41. JUDICIARY

1980-81	$ 231,500
1981-82	$ 245,300

G. JUSTICE

42. DEPARTMENT OF JUSTICE

a. Bureau of Training

1980-81	$ 192,000
1981-82	$ 192,000

b. Bureau of Corrections

1980-81	$ 1,841,200
1981-82	$ 2,159,700

c. Bureau of State Police

1980-81	$ 400,000
1981-82	$ 400,000

d. Office for Public Advocacy

1980-81	$ 44,000
1981-82	$ 51,000

H. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

43. DEPARTMENT FOR NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

a. Bureau for Natural Resources

1980-81	$ 492,000
1981-82	$ 492,000

b. Bureau for Environmental Protection

1980-81	$ 730,000
1981-82	$ 780,000

I. PUBLIC PROTECTION AND REGULATION

44. OFFICE OF THE SECRETARY

1980-81	$ 9,100

45. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1980-81	$ 4,000
1981-82	$ 4,000

46. BOARD OF TAX APPEALS

1980-81	$ 7,100

47. DEPARTMENT OF INSURANCE

1980-81	$ 311,400
1981-82	$ 310,900

48. DEPARTMENT OF LABOR

a. Occupational Safety and Health

1980-81	$ 1,927,500
1981-82	$ 2,059,000

For the state share of costs associated with the Occupational Safety and Health program from the Maintenance Fund.

b. Special Fund

1980-81	$ 47,258,800
1981-82	$ 64,446,000

c. Maintenance Fund

1980-81	$ 7,336,700
1981-82	$ 7,718,000

For the general operations of the Workmen's Compensation Board, and for the operations of the Uninsured Employer's Fund.

d. General Administration and Support

1980-81	$ 1,589,200

1981-82	$ 1,640,800

For administrative services provided to the Workmen's Compensation Board through the General Administration and Support program from the Maintenance Fund.

49. DEPARTMENT OF MINES AND MINERALS

1980-81	$ 1,159,600
1981-82	$ 523,400

50. KENTUCKY QUARTER HORSE AND APPALOOSA COMMISSION

1980-81	$ 17,200

51. KENTUCKY STATE RACING COMMISSION

1980-81	$ 2,286,300
1981-82	$ 2,384,400

52. KENTUCKY HARNESS RACING COMMISSION

1980-81	$ 1,387,000
1981-82	$ 1,425,000

53. DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION

1980-81	$ 3,509,000
1981-82	$ 3,976,900

Included in agency receipts are receipts and expenditures in regard to the Elevator Inspection program.

J. TRANSPORTATION

54. DEPARTMENT OF TRANSPORTATION

a. Air Transportation

1980-81	$ 2,257,600
1981-82	$ 2,246,800

b. Highways

1. Bureau of Vehicle Regulation

1980-81	$ 1,145,000
1981-82	$ 1,245,000

K. ENERGY

55. DEPARTMENT OF ENERGY

1980-81	$ 1,910,400
1981-82	$ 1,015,100

PART III
FEDERAL FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1981, and for the fiscal year ending June 30, 1982, Federal subventions, grants, contracts and other Federal funds received, income from investments and other miscellaneous Federal receipts received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Federal Fund out of which shall be established separate accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS chapter 12, 42, and 45.

In the event receipts received and credited to any Federal Fund account during fiscal year 1980-81 or fiscal year 1981-82, and any balance forwarded to the credit of any such account from the previous fiscal year, exceed, by the sum of five percent, the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Office for Policy and Management upon approval of the Secretary of the Department of Finance; provided, however, that institutions of higher education may receive and expend all federal funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Federal Fund account, through the Department of Finance, during the fiscal year ending June 30, 1981, and during the fiscal year ending June 30, 1982, all receipts placed to the credit of the Federal Fund for such year, out of which has been established a Federal Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Department of Finance. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Department of Finance and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures for the ensuing fiscal year, a comparison of any revised estimates with the amounts provided in the Executive Budget as adopted by the 1980 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of Finance, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Office for Policy and Management the credit and expenditure of such funds for statutory purposes. The Secretary of Finance shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of Finance, in consultation with the Interim Joint Appropriations and Revenue Committee, shall provide appropriate notice pursuant to this event to the Legislative Research Commission.

A. GENERAL GOVERNMENT

1. DEPARTMENT OF LAW

1980-81	$	232,400
1981-82	$	64,800

2. DEPARTMENT OF FINANCE

1980-81	$	55,000
1981-82	$	55,000

3. MILITARY AFFAIRS

1980-81	$	1,347,900
1981-82	$	1,422,100

B. DEVELOPMENT

4. DEPARTMENT OF AGRICULTURE

1980-81	$	2,209,300
1981-82	$	2,139,300

5. FISH & WILDLIFE

1980-81	$	3,173,000
1981-82	$	3,261,500

6. DEPARTMENT OF COMMERCE

1980-81	$	125,700
1981-82	$	70,000

7. DEPARTMENT OF LOCAL GOVERNMENT

1980-81	$	4,494,400
1981-82	$	4,489,100

C. EDUCATION

8. ADVISORY COUNCIL FOR VOCATIONAL EDUCATION	
1980-81	$ 189,700
1981-82	$ 180,800
9. ARTS COMMISSION	
1980-81	$ 557,500
1981-82	$ 557,500
10. DEPARTMENT OF EDUCATION	
a. General Administration and Support Services	
1980-81	$ 78,188,400
1981-82	$ 84,439,300
b. Education for Exceptional Children	
1980-81	$ 13,937,900
1981-82	$ 15,161,500
c. Instruction	
1980-81	$ 63,339,600
1981-82	$ 63,991,500
d. Administration and Finance for Local School Systems	
1980-81	$ 253,500
1981-82	$ 213,500
e. Vocational Education	
1980-81	$ 16,944,300
1981-82	$ 17,263,000
f. Rehabilitation Services	
1980-81	$ 16,068,100
1981-82	$ 16,605,000
11. HERITAGE COMMISSION	
1980-81	$ 1,033,900
1981-82	$ 1,070,700
12. DEPARTMENT OF LIBRARY AND ARCHIVES	
1980-81	$ 1,139,600
1981-82	$ 1,103,600
13. BUREAU FOR THE BLIND	
1980-81	$ 1,889,400
1981-82	$ 2,009,100

D. HIGHER EDUCATION

14. COUNCIL ON HIGHER EDUCATION	
1980-81	$ 491,700
1981-82	$ 303,500
15. HIGHER EDUCATION ASSISTANCE AUTHORITY	
1980-81	$ 1,198,000
1981-82	$ 1,248,000
16. UNIVERSITY OF KENTUCKY	
1980-81	$ 29,475,100
1981-82	$ 29,627,600

17. UNIVERSITY OF LOUISVILLE

1980-81	$ 11,252,000
1981-82	$ 11,252,000

18. EASTERN KENTUCKY UNIVERSITY

1980-81	$ 2,332,300
1981-82	$ 2,332,300

19. WESTERN KENTUCKY UNIVERSITY

1980-81	$ 1,660,500
1981-82	$ 1,819,400

20. MOREHEAD STATE UNIVERSITY

1980-81	$ 2,195,500
1981-82	$ 2,195,500

21. MURRAY STATE UNIVERSITY

1980-81	$ 3,562,400
1981-82	$ 3,562,400

22. KENTUCKY STATE UNIVERSITY

1980-81	$ 5,255,700
1981-82	$ 5,255,700

23. NORTHERN KENTUCKY UNIVERSITY

1980-81	$ 1,058,000
1981-82	$ 1,058,000

E. HUMAN RESOURCES

24. DEPARTMENT FOR HUMAN RESOURCES
    a. Bureau for Social Insurance
        1. Administration

1980-81	$ 50,654,900
1981-82	$ 55,419,400

        2. Benefits

1980-81	$470,535,600
1981-82	$519,720,600

    b. Bureau for Manpower Services

1980-81	$ 80,271,500
1981-82	$ 86,242,700

    c. Bureau for Health Services

1980-81	$ 36,431,500
1981-82	$ 36,417,800

    d. Bureau for Social Services

1980-81	$ 59,522,900
1981-82	$ 61,315,700

The percentage share of Federal funds allotted through contract with Comprehensive Care Centers for fiscal years 1980-81 and 1981-82 for provision of social services under the state Title XX Plan shall be no less than the percentage share allotted to each center in its fiscal year 1979-80 contract with the Department.

    e. Executive Policy and Support

1980-81	$ 15,839,000
1981-82	$ 17,029,500

F. JUDICIARY

25. JUDICIARY

1980-81	$ 901,500
1980-82	$ 421,400

G. JUSTICE

26. DEPARTMENT OF JUSTICE

a. Bureau of Training	
1980-81	$ 43,200
1981-82	
b. Bureau of Corrections	
1980-81	$ 274,600
1981-82	$ 94,700
c. Office for Public Advocacy	
1980-81	$ 287,200
1981-82	$ 85,200
d. Justice Administration	
1980-81	$ 5,455,300
1981-82	$ 4,944,800

H. NATURAL RESOURCES

27. DEPARTMENT FOR NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

a. Bureau for Natural Resources	
1980-81	$ 973,700
1981-82	$ 656,400
b. Bureau for Environmental Protection	
1980-81	$ 3,524,500
1981-82	$ 3,633,300
c. Bureau for Surface Mining	
1980-81	$ 15,554,500
1981-82	$ 15,427,800

I. PUBLIC PROTECTION AND REGULATION

28. DEPARTMENT OF LABOR

a. Occupational Safety and Health	
1980-81	$ 1,927,500
1981-82	$ 2,059,000
b. General Administration and Support	
1980-81	$ 508,700
1981-82	$ 541,300

29. DEPARTMENT OF MINES AND MINERALS

1980-81	$ 750,000
1981-82	$ 668,300

30. ENERGY AND UTILITY REGULATORY COMMISSION

1980-81	$ 162,900
1981-82	$ 97,800

31. DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION

1980-81	$ 158,200
1981-82	$ 66,000

J. TRANSPORTATION

32. DEPARTMENT OF TRANSPORTATION

a. Air Transportation	
1980-81	$ 2,600,800
1981-82	$ 5,525,000
b. Public Transportation	
1980-81	$ 12,571,300
1981-82	$ 12,458,800
c. General Administration	
1980-81	$ 2,704,800
1981-82	$ 2,425,800
d. Highways	
1. Bureau of Highways	
1980-81	$242,245,000
1981-82	$216,750,000

K. ENERGY

33. DEPARTMENT OF ENERGY

1980-81	$ 1,720,400
1981-82	$ 1,720,400

PART IV
TRANSPORTATION FUND

Monies in the Transportation Fund are appropriated for use by the Department of Transportation in its activities, functions, and duties performed by it as prescribed by law. The Transportation Fund shall consist of all the state revenues realized from fees, taxes, and license fees levied for state road purposes authorized by law, and any additional or other revenues, grants, or funds, including any amount which may be received from Federal aid, bond funds, General Funds appropriated, or any other sources pursuant to the provisions of KRS 177.030, made available for the construction or reconstruction of public roads or for any other of the activities administered by the Department of Transportation. Such receipts and revenues, and unappropriated surplus, together with any balance as of June 30, 1980, shall constitute the Transportation Fund for the fiscal years 1980-81 and 1981-82 respectively. An annual budget for each fiscal year shall be submitted by the Department of Transportation to the Department of Finance for approval by June 1, 1980, for fiscal year 1980-81 and by June 1, 1981, for fiscal year 1981-82. The budget shall be based upon the most current State Road Fund estimates and Surplus, estimates of contractual and noncontractual Federal aid, General Fund appropriated, and funds and fees from any other source.

There is hereby authorized in the Transportation Fund a bond fund authorization of up to $150,000,000 in fiscal year 1980-81 and $150,000,000 in fiscal year 1981-82 for the constructing and rehabilitating of roads, along with the related costs, in the Kentucky primary road system. The related debt service payments or lease payments to the Kentucky Turnpike Authority, as appropriate, may be expended from funds appropriated to the Transportation Fund.

In the event the State Road Fund estimates are revised during the biennium the Department of Transportation shall submit its annual budget based upon the new estimates. These estimates are to be certified by the Commissioner of Revenue to the Secretary of the Department of Finance and upon the approval of the Governor the Secretary of the Department of Finance shall make the appropriate increases or decreases to the Department of Transportation's annual budget. If the State Road Fund estimates are increased or decreased during a fiscal year the Department of Transportation shall request from the Department of Finance with approval of the Governor authority to increase or decrease its annual budget in accordance with Part V, General Provisions, Section 8 of this Act. The following monies are appropriated from the State Road Fund.

A. TRANSPORTATION

1. DEPARTMENT OF TRANSPORTATION

a. General Administration

1980-81 .... $ 36,696,600

1981-82 .... $ 38,977,200

b. Highways

1) Bureau of Highways

1980-81 .... $415,017,800

1981-82 .... $468,534,400

a) Rural Highways

i. County Road Aid. For construction, reconstruction, improvement, and maintenance of county roads and bridges the designated portion of all revenue received pursuant to KRS 138.220 and 138.565 shall be expended in accordance with KRS 177.320(2). These funds shall be distributed in accordance with the formula prescribed by the provisions of KRS 177.360.

ii. Rural Secondary Roads. For construction, reconstruction, and maintenance of rural and secondary roads, the designated portion of all revenue received pursuant to the provisions of KRS 138.220 and 138.565, shall be expended in accordance with KRS 177.320. These funds shall be distributed in accordance with the formula prescribed by the provisions of KRS 177.360. In addition, pursuant to the duties and responsibilities of county judges/executives associated with the administration of the local county road program, beginning January 1, 1978, the expense allowance for each county judge/executive shall be paid from the Transportation Fund. These expenses shall be paid from those appropriated funds for the rural secondary road revenue sharing program as provided in KRS 177.360 and KRS 67.

b) Municipal Aid. For the construction, reconstruction, and maintenance of urban roads, streets, and bridges, the designated amounts received pursuant to the provisions of KRS 138.220 and 138.565, shall be expended and distributed in accordance with KRS 177.365 through 177.368.

2) Bureau of Vehicle Regulation (Except Division of Water Enforcement)

1980-81 .... $ 3,739,000

1981-82 .... $ 3,786,400

Total - Highways

1980-81 .... $418,756,800

1981-82 .... $472,320,800

TOTAL - DEPARTMENT OF TRANSPORTATION

1980-81 .... $455,453,400

1981-82 .... $511,298,000

PART V
CAPITAL CONSTRUCTION FUND

Monies in the Capital Construction fund are appropriated for the following capital projects.

	1980-81	1981-82
A. GENERAL GOVERNMENT		
1. Capital Plaza		
a. Repair and Renovation of Facilities		

The sum of $1,275,000 has been provided from available Project 17 bond funds.

	1980-81	1981-82
2. Military Affairs		
a. Replacement Armory - Williamsburg		
Revenue Sharing		62,400
Federal Funds		759,700
Total		822,100
b. Armory Addition - London		

		1980-81	1981-82
	Revenue Sharing		30,000
	Federal Funds		444,700
	Total		474,700
c.	Armory Addition - Bowling Green		
	Revenue Sharing		66,300
	Federal Funds		480,400
	Total		546,700
d.	United States Property and Fiscal Office Addition - Frankfort		
	Federal Funds		765,000
	Agency Receipts		89,000
	Total		854,000
e.	Organizational Maintenance Shop Addition - London		
	Federal Funds	103,100	
	Agency Receipts	4,000	
	Total	107,100	
f.	Organizational Maintenance Shop - Ashland		
	Revenue Sharing		59,000
	Federal Funds		14,800
	Total		73,800
g.	Organizational Shop - Owensboro		
	Revenue Sharing		38,800
	Federal Funds		12,000
	Total		50,800
h.	Major Maintenance and Repair		
	Revenue Sharing	500,000	700,000
	Federal Funds	102,000	
	Total	602,000	700,000
3.	Finance		
a.	Capitol Building - Terrace Renovation/ Exterior Cleaning		
	Revenue Sharing	500,000	1,500,000
b.	Kentucky Emergency Warning System		
	Revenue Sharing	1,065,000	236,000
c.	Central Control System Expansion		
	Revenue Sharing	538,600	500,000
d.	Storage Facility - Physical Plant		
	Revenue Sharing	68,000	
e.	Governor's Mansion - Mechanical, Electrical and Interior Renovation		
	Revenue Sharing	1,750,000	
f.	Emergency Repair, Maintenance, and Replacement Fund		
	Investment Income	500,000	5,000,000

The sum of $4,500,000 in the DHR/DNR Consolidated Laboratory Account may be transferred in Fiscal Year 1980-81 to bring the available funds for 80-81 to $5,000,000. Transfers from this fund shall be made in accordance with KRS 45.780.

g.	Capital Construction and Equipment Purchase Contingency Fund		
	Investment Income	5,000,000	5,000,000

Transfers from this fund shall be made in accordance with KRS 45.770.

h.	504 Handicapped Projects		
	Revenue Sharing	5,000,000	5,000,000

Any project exceeding $200,000 shall be reported to the Capital Construction and Equipment Purchase Oversight Committee.

	1980-81	1981-82
Revenue Sharing	5,000,000	5,000,000
i. Word Processing Information System		
Revenue Sharing	55,000	20,000
j. Electronic Pre-Sort Mail Processing Equipment		
Revenue Sharing	212,000	
k. Jet Ranger Helicopter - 2,400 Hour Inspection		
Revenue Sharing	51,000	
l. Jet Ranger Helicopter - Replace Engine		
Revenue Sharing	35,000	
m. Navajo - Replace Engines		
Revenue Sharing	70,000	
n. Bell Long Ranger Helicopter		
Revenue Sharing	500,000	
o. Aircraft - Purchasing and Leasing		
Revenue Sharing	750,000	
Agency Fund	200,000	200,000
Total	950,000	200,000
p. Kentucky Center for the Arts		
Bond Fund	1,500,000	
Local Fund	11,500,000	
Total	13,000,000	
B. DEVELOPMENT		
1. Secretary of the Development Cabinet		
a. Economic Development Projects		
Bond Fund	50,000,000	50,000,000

Projects estimated to cost over $200,000 shall be itemized in accordance with KRS 45.760. The Secretary for Development Cabinet shall report to the Secretary of the Department of Finance and the Legislative Research Commission those projects which have been awarded bond funds proceeds.

2. Department of Commerce		
a. Riverport Development Authorities		
Revenue Sharing	500,000	7,000,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

Investment Income	4,500,000	
Total	5,000,000	7,000,000
3. Department of Parks		
a. Mechanical and Structural Upgrades, Water Districts and Sewage Improvements		
Revenue Sharing	1,075,000	1,250,000
Agency Fund	175,000	
Total	1,250,000	1,250,000
b. Small Construction Projects		
Revenue Sharing	500,000	500,000
c. Roadway and Parking Improvements		
Revenue Sharing	500,000	500,000
d. Fuel Conservation Phase I		
Revenue Sharing	100,000	400,000
4. Kentucky Horse Park		
a. Special Events Facility		
Bond Fund	765,000	

	1980-81	1981-82
5. Kentucky State Fair Board		
a. Recreational Vehicle Park		
Bond Fund	1,665,000	
b. Ring Road and Additional Parking		
Bond Fund	2,125,000	
c. Electric Power Improvements and Lighting Upgrades		
Bond Fund	1,275,000	
d. Carnival Midway Site		
e. Relocation of Horse Barns		
Bond Fund	1,925,000	
f. Fairgrounds Stadium Press Box		
Bond Fund	425,000	
g. Maintenance and Service Workhouse		
Bond Fund	1,700,000	
h. Hofgesang Property		
Bond Fund	2,000,000	
i. Parking Structure II		
Bond Fund	3,248,200	
j. Galleria		
Bond Fund	8,000,000	
k. Major Maintenance and Repair		
Agency Fund	500,000	500,000
The above item consists of Maintenance projects estimated to cost less than $200,000 each.		
l. Replace Doors and Frames - Coliseum, East and West Wings, and Pavilion		
Agency Fund	250,000	
m. 60' Boom Truck		
Agency Fund	75,000	
n. Renovation of Coliseum Restrooms		
Agency Fund	240,000	
o. Replacement of Landscaping		
Agency Fund	50,000	
p. General Repairs to Stadium		
Agency Fund	275,000	
q. Painting Underside of Stadium Roof		
Agency Fund	50,000	
r. Renovation of Stadium Restrooms		
Agency Fund	220,000	
s. Roof Replacement - Stadium Lobby		
Agency Fund	300,000	
t. Replace Coliseum Boilers and Tie in to Central Computer Controls		
Agency Fund	800,000	
u. Development of Office Space - 2nd Level of Coliseum		
Agency Fund	200,000	
v. HVAC Piping and Insulation Replacement		
Agency Fund	425,000	
w. Front End Loader		
Agency Fund	65,000	

	1980-81	1981-82
x. Light Fixture Replacement - Coliseum, East and West Wings, and Pavilion		
Agency Fund	452,500	
y. Replace Doors and Frames in Stadium		
Agency Fund	45,000	
C. ENERGY		
1. Administration and Support		
a. Administration Building Porch Restoration		
Revenue Sharing	35,000	
b. Lease-Hold Improvements		
Revenue Sharing	250,000	
D. EDUCATION AND THE ARTS		
1. Kentucky School Building Authority		
a. Bowling Green State Vocational - Technical School		
b. Cumberland Valley Health Occupations Center		
c. Northern Kentucky Health Occupations Center		
d. Glasgow Health Occupations Center		
e. Madisonville Dormitory, SVTS		
f. Mayo (Paintsville) Dormitory, SVTS		
g. Somerset SVTS Diesel Mechanics Facility		
h. Regional 1 Dormitory, Western Kentucky SVTS		
2. School for the Deaf		
a. Upper School Dorm - Phase B.		
Revenue Sharing	2,250,000	
b. Thomas P.E. Building - Roof and Floor Repair		
Revenue Sharing	65,000	
3. School for the Blind		
a. New Dormitory - Cost Overrun		
Revenue Sharing	240,000	
b. Addition to Classroom Building		
Revenue Sharing	315,500	2,317,000
4. Department of Library and Archives		
a. Department of Library and Archives Building		
Bond Fund	2,500,000	
b. Central Utility Plant/ Electric Service/ Sewer Service		
Bond Fund	7,150,000	
E. HIGHER EDUCATION		
1. Council on Higher Education		
a. Sports Arenas		
Revenue Sharing		500,000
2. University of Kentucky		
a. Primary Care Center		
Bond proceeds of $12,500,000 will be used for construction.		
b. Patient Parking Structure		
c. Pharmacy Building		
Bond Fund		8,230,000

		1980-81	1981-82
d.	Southeast Community College Technical Building/ Learning Resources Center Bond Fund		2,100,000
e.	Development Building Agency Fund	350,000	
f.	Poultry Facility Agency Fund	856,300	
g.	Animal Care Facility Renovation Agency Fund	250,000	
h.	Medical and Dental Science Wings Renovation, Medical Center Agency Fund	250,000	
i.	Medical Offices and Lab Spaces Renovation, Phase I Agency Fund	272,000	
j.	Medical Offices and Lab Spaces Renovation, Phase II Agency Fund		335,000
k.	Enclosure of Annex II, Medical Center Agency Fund	843,000	
l.	Hospital Elevator Upgrade Agency Fund	453,000	
m.	Hospital Interior Maintenance, Phase I Agency Fund	300,000	
n.	Interior Maintenance - Medical and Dental Offices - Phase II Agency Fund		250,000
o.	University Hospital - North Wing Ground Floor Renovation Agency Fund	200,000	
p.	University Hospital House Staff Quarters Agency Fund		620,000
q.	University Hospital Plan Agency Fund		500,000
r.	McVey Hall Renovation Agency Fund		1,600,000
s.	Student Center Expansion Bond Fund	4,080,000	
t.	Miscellaneous Projects Agency Fund	3,200,000	3,200,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee on July 1, 1980 and July 1, 1981.

		1980-81	1981-82
u.	Computerized Axial Tomography Scanner Agency Fund	1,100,000	
v.	Clinical Lab Computer Agency Fund		600,000
w.	Diagnostic Radiology Computer Agency Fund		100,000
x.	Instructional Computer Agency Fund	600,000	
y.	Liquid Scintillation Counter Agency Fund	65,000	

	1980-81	1981-82
z. Mass Spectrometer - Gas Chromatograph		
Agency Fund		200,000
aa. Mass Spectrometer		
Agency Fund	374,000	
bb. Superconducting Magnetic Resonance Spectrometer		
Agency Fund		320,000
cc. Diesel Dump Truck		
Agency Fund	63,000	
dd. Garbage Truck		
Agency Fund	90,000	
3. University of Louisville		
a. Social Science - Education		
b. Science - Chemistry Building		
c. Teaching Hospital		
d. Teaching Hospital Group II Medical Equipment		
i. Whole Body Nuclear Scanner		
ii. B-Mode Gray Scale Real-Time Ultrasound Unit		
iii. Portable Gamma Camera		
iv. Computer for Nuclear Scanner		
v. Radiographic System for Special O.R.		
vi. Portable Fluoroscopic Units		
vii. Cystoscopic Unit with Fluoroscopic Capabilities		
viii. Automicrobic System		
ix. Head Radiographic Unit		
x. Radiographic/ fluoroscopic System		
xi. Radiographic System		
xii. Remote Radiographic and Fluoroscopic System		
xiii. Routine Radiographic System with Temographic Capabilities		
xiv. Office Equipment Under $50,000 per Item		
e. Belknap Theater Relocation		
f. Law School Expansion		
g. Reynolds Building Renovation		
Agency Fund	790,900	
h. Schneider Library Renovation		
Agency Fund	50,000	300,000
i. Miscellaneous Projects		
Agency Fund	1,080,600	268,400

Projects estimated to exceed $200,000 in cost shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee on July 1, 1980 and July 1, 1981.

	1980-81	1981-82
j. Date Entry System		
Agency Fund	120,000	
k. Database Management System		
Agency Fund	100,000	
l. Disk and Tape Drives Added to DEC 10-90		

		1980-81	1981-82
	Agency Fund	93,000	
m.	Memory and A-Sychronous Communication Line to DEC 10-90		
	Agency Fund	111,000	
n.	Additional Equipment for IBM 370/148		
	Agency Fund		200,280
o.	Graphics Printing Equipment		
	Agency Fund	100,000	100,000
p.	Phototypesetting Equipment		
	Agency Fund	150,000	65,000
q.	High Volume Copying Equipment		
	Agency Fund		81,000
r.	Binding Equipment		
	Agency Fund		126,000
s.	Word Processing Equipment		
	Agency Fund	300,000	
t.	Automated Circulation System		
	Agency Fund		201,000
u.	Fourier Transform Infrared Spectrophotometer		
	Agency Fund	110,000	
v.	Amino Acids Analyzer		
	Agency Fund		65,000
w.	Minicomputer - PDP II		
	Agency Fund	75,000	
x.	GC-Mass Spectrometer		
	Agency Fund	130,000	
y.	Electron Microscopic and Microprobe Analysis		
	Agency Fund	253,000	
z.	Liquid Scintillation and Gamma Counters		
	Agency Fund	55,000	
aa.	GC-Mass Spectrometer		
	Agency Fund		130,000
bb.	Preparative and Analytical Ultracentrifuges		
	Agency Fund	72,000	
cc.	Liquid Scintillation and Gamma Counters		
	Agency Fund		55,000
dd.	Gamma Irradiator		
	Agency Fund		64,000
ee.	Preparative and Analytical Ultracentrifuge		
	Agency Fund		72,000
ff.	GC-Mass Spectrometer		
	Agency Fund	130,000	
gg.	Scanning Electron Microscope and Microprobe		
	Agency Fund		253,000
hh.	Special Animal Cage Cleaning Equipment		
	Agency Fund	100,000	
4.	Eastern Kentucky University		
a.	Administrative Computer		
	Agency Fund	1,200,000	
b.	Academic Computer		

	1980-81	1981-82
Agency Fund	250,000	
c. Sullivan Hall Renovation		
Agency Fund	150,000	850,000
d. University Building Renovation		
Agency Fund	200,000	1,103,000
e. Miscellaneous Projects		
Agency Fund	400,000	425,000

Projects estimated to exceed $200,000 in cost will be reported to the Secretary of Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

	1980-81	1981-82
5. Western Kentucky University		
a. North Wing Thompson Science Complex Renovation		
Agency Fund	450,000	
b. Improvements to Grise Hall		
Agency Fund	400,000	
c. Downing University Center Roof Replacement		
Agency Fund	495,000	
d. Cherry Hall Roof Replacement		
Agency Fund	250,000	
e. Miscellaneous Projects		
Agency Fund	300,000	300,000

Projects estimated to exceed $200,000 in cost will be reported to the Secretary of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

	1980-81	1981-82
f. Instructional Computer		
Agency Fund	80,000	80,000
g. Administrative Computer		
Agency Fund	120,000	120,000
6. Murray State University		
a. University Center Equipment		
Revenue Sharing	300,000	
b. Wrather Hall Renovation		
Revenue Sharing	67,000	
c. Veterinary Diagnostic and Research Center		
Revenue Sharing	951,000	
d. Student Recreational Facility		
Agency Fund	390,000	
e. University Farm Greenhouse		
Agency Fund		343,000
f. Residence Hall Convecting and Chiller Systems		
Agency Fund	320,000	
g. Environmental Controls in Woods Hall		
Agency Fund	300,000	
h. Elevator Replacement House and Dining Systems		
Agency Fund	200,000	
i. Miscellaneous Projects		
Agency Fund	1,000,000	1,000,000

Projects estimated to exceed $200,000 in cost shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

	1980-81	1981-82
j. Instructional, Administrative, and Research Computer		
Agency Fund	250,000	
7. Morehead State University		
a. Academic Athletic Center Equipment		

		1980-81	1981-82
	Revenue Sharing	148,000	
b.	Mays Hall Renovation		
	Agency Fund	250,000	
c.	Thompson Hall Renovation		
	Agency Fund		250,000
d.	Field Hall Renovation		
	Agency Fund	250,000	
e.	Miscellaneous Projects		
	Agency Fund	453,000	155,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee on July 1, 1980 and July 1, 1981.

		1980-81	1981-82
f.	Educational Research Computer System		
	Agency Fund	390,000	
g.	Type Setting System		
	Agency Fund		115,000
8.	Northern Kentucky University		
a.	Power Plant Development		
b.	Health and Physical Education Center		
c.	Completion of the Science Center		
d.	Nunn Hall Renovation		
e.	Maintenance and Operation Storage Building		
f.	Student Housing		
	Federal Fund	4,438,000	
g.	Communications Center Renovation		
	Agency Fund	100,000	197,000
h.	Miscellaneous Projects		
	Agency Fund	261,000	261,000
9.	Kentucky State University		
a.	Atwood Hall Renovation		
b.	Hunter Hall Renovation		
	Revenue Sharing	200,000	846,000
c.	Underwood Cafeteria Renovation		
	Revenue Sharing	1,074,700	
d.	Miscellaneous Projects		
	Agency Fund	378,000	427,400

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight.

		1980-81	1981-82
e.	Bus Purchase		
	Agency Fund	110,000	
F.	HUMAN RESOURCES		
1.	Bureau for Health Services		
a.	Hazelwood Hospital Ceilings Replacement		
	Revenue Sharing	814,000	
b.	Eastern State Hospital Wendell Building -		
	Revenue Sharing	1,649,000	
	Buildings #56, 57, 58		
	Revenue Sharing	5,491,000	
	Total	7,140,000	
c.	Central State Hospital Lyons and Shelby Bldgs.		
	Revenue Sharing	2,337,000	
d.	Oakwood Hospital Roof Replacement		

		1980-81	1981-82
	Revenue Sharing	1,400,000	
e.	Local Health Department Improvements		
	Revenue Sharing	1,000,000	1,000,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

		1980-81	1981-82
f.	Western State Hospital Plumbing Renovation		
	Revenue Sharing	691,000	
g.	Outwood State Hospital New Facility		
	Bond Fund	2,500,000	
h.	Central State Hospital ICF/MR Facility		
i.	Miscellaneous Projects		
	Revenue Sharing		300,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction Equipment Purchase Oversight Committee.

		1980-81	1981-82
2.	Executive Policy Support		
a.	Ashland Youth Development Center (Ashland Office Bldg.)		
	Revenue Sharing	100,000	
b.	Miscellaneous Projects		
	Revenue Sharing	590,500	

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

		1980-81	1981-82
c.	Harlan State Office Building		
	Revenue Sharing		2,400,000
d.	Morehead State Office Building		
	Revenue Sharing		1,100,000
e.	Pikeville State Office Building		
	Revenue Sharing		886,000
f.	Danville State Office Building		
	Revenue Sharing		614,000
3.	Bureau for Social Services		
a.	Northern Kentucky Treatment Center		
	Revenue Sharing	102,500	
b.	Miscellaneous Projects		
	Revenue Sharing	897,500	200,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee on July 1, 1980 and July 1, 1981.

G. JUSTICE

		1980-81	1981-82
1.	Bureau of Corrections		
a.	Luckett Correctional Institution		
	Investment Income	2,815,900	
b.	Luckett Correctional Institution		
	Investment Income	1,568,000	
c.	Kentucky State Penitentiary Housing Unit		
	Investment Income	641,000	1,050,000
	Revenue Sharing		3,950,000
	Total	641,000	5,000,000
d.	New 500-Man Institution		
	Bond Fund	25,000,000	
e.	Kentucky State Reformatory Renovate Two Dorms		
	Investment Income	518,400	

		1980-81	1981-82
	Revenue Sharing		518,400
	Total	518,400	518,400
f.	Kentucky State Penitentiary Sewage Treatment		
	Investment Income	200,000	
g.	Kentucky State Penitentiary Locking System		
	Investment Income	506,700	
	Revenue Sharing	243,300	
	Total	750,000	
h.	Kentucky State Penitentiary Cellhouse Renovation		
	Revenue Sharing		1,200,000
i.	Kentucky State Reformtory Electrical System		
	Revenue Sharing	812,000	
j.	Kentucky State Penitentiary Electrical Distribution System		
	Revenue Sharing		1,077,600
k.	Kentucky State Penitentiary Steam Loop		
	Revenue Sharing	300,000	
l.	Kentucky State Reformatory Visiting Building		
	Revenue Sharing		267,300
m.	Kentucky State Penitentiary Electric Boiler Repair		
	Revenue Sharing	250,000	
n.	Kentucky State Penitentiary Receiving Warehouse		
	Revenue Sharing		500,000
o.	Miscellaneous Projects		
	Revenue Sharing	357,200	
H.	NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION		
1.	Department for Natural Resources and Environmental Protection		
a.	Repair of State-Owned Dams		
	Revenue Sharing	1,000,000	1,000,000
b.	Community Flood Damage Abatement		
	Revenue Sharing	600,000	1,400,000
	Communication System		
	Revenue Sharing	400,000	600,000
I.	PUBLIC PROTECTION AND REGULATION		
1.	Energy and Utility Regulatory Commissions		
a.	Meter Standards Laboratory Exterior Brick Repair		
	Revenue Sharing	60,000	
b.	Computer Controlled Watthour Meter Comparator Catalog 1500		
	Revenue Sharing	59,400	
3.	Department of Insurance		
a.	Fire and Tornado Fund Fire and Life Safety Improvement Projects		
	Agency Fund	1,200,000	1,300,000

Those projects listed by title in this Act but for which no funds are shown are previously authorized projects for which there is sufficient funding available for completion in the absence of any additional funding in the 1980-82 biennium. In the event that any authorized capital construction and/or equipment purchase projects are cancelled it is the intent of the General Assembly that any appropriated debt service for those same projects shall remain unallotted and lapse to the General Fund surplus. Those projects set forth under the sub-heading "higher education" are subject to the action and approval of the Council on Higher Education and subject to the approval of the Department of Finance. Any funds remaining in projects no longer authorized on July 1, 1980, under the provisions of KRS 45.750 through 45.990 shall lapse to the Capital Construction and Equipment Purchase Contingency Fund to be expended in accordance with the provisions of KRS 45.800. Notwithstanding the provisions of KRS 45.770, the Capital Construction and Equipment Purchase Contingency Fund may be used to advance funds to projects authorized to be financed by bonds and may be used to finance feasibility studies for projects which may be contemplated for future funding.

Included in the above appropriation is a $50,000,000 Economic Development bond authorization for each fiscal year. This funding is recommended for projects that are associated with economic development and will be identified during the 1980-82 biennium by the Secretary of the Development Cabinet. Examples of projects that may be included are riverports, parks, economic development, energy development and tourism. No bonds may be issued for these projects in the absence of prior consultation with the Capital Construction and Equipment Purchase Oversight Committee.

Inasmuch as the identification of specific projects in a variety of areas of the State Government cannot be ascertained with absolute certainty at this time, it is the purpose and intent of the General Assembly, the provisions of KRS 45.750 through 45.990 notwithstanding, to appropriate amounts for specific purposes to projects which are not individually identified herein in the following areas: Community Flood Damage Abatement, Local Health Construction, Riverport Development, Repair of State-Owned Dams, School Building Authority, Economic Development Projects, Coal Severance Economic Aid Fund and Area Development Fund.

All monies transferred to the Department of Finance for capital construction from any appropriations, including income from investments, shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Department of Finance for capital construction.

If at end of any fiscal year the monies and securities to the credit of the State Fire and Tornado Insurance Fund exceed $2,000,000 and if conditions with respect to life and fire safety in state properties are such as not to require the expenditure of all excess funds for improvements to said conditions, then the Secretary of the Department of Finance, with the concurrence of the Commissioner of Insurance, shall transfer up to $1,200,000 in fiscal year 1980-81 and $1,300,000 in fiscal year 1981-82 of the amount of such excess not so required and may authorize its transfer to the Capital Construction Fund, for expenditure in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes.

General Revenue Sharing funds are appropriated in accordance with the provisions of the Federal State and Local Fiscal Assistance Act of 1972 and extension thereof. In the event these monies, or any portion thereof, are not made available to the Commonwealth, the Secretary of the Department of Finance may take appropriate action as required by Part VI, General Provisions, Section 8 of this Act. In addition, in the event that General Revenue Sharing funds may not become available, the Secretary of the Department of Finance is also empowered to substitute other sources of funding, as may be available in order to finance capital construction projects as specified herein not to exceed the individual project recommended appropriation amount. Prior to substituting funding for a project identified herein to be funded with General Revenue Sharing funds that may not have become available, the Department of Finance shall present to the Capital Construction and Equipment Oversight Committee, for its review, the specification of the new source of funding and its amount.

In the event a state-level commission to review local government finances is a requirement for continued state participation in the General Revenue Sharing program, the Secretary of the Department of Finance is hereby authorized to allocate up to $500,000 from the Commonwealth's revenue sharing entitlement for expenditure by this commission in fulfilling its required duties as may be specified under federal law.

PART VI
GENERAL PROVISIONS

1. Nothing in this Act shall be construed to repeal any appropriation made hereinbefore or hereinafter for the fiscal year ending June 30, 1980 and nothing in this Act is to be construed as amending or altering the provisions of Chapters 42 and 45 of the Kentucky Revised Statutes pertaining to the duties and powers of the Secretary of the Department of Finance. All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which such appropriation may be expended shall be decided

by the Secretary of the Department of Finance in accordance with the detailed estimates embodied in the Executive Budget 1980-82 and supporting work papers, as considered by the 1980 Regular Session and the decision of the Secretary of the Department of Finance shall be final and conclusive.

2. In enacting this Appropriation Act, it is the deliberate intention of the General Assembly to enact each section, and each subsection thereof as a separate and/or specific appropriation and law, and if any section, any subsection, or any provision thereof shall be held invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.

3. The Secretary of the Department of Finance is authorized to establish a system or formula or a combination of both for pro-rating the administrative costs of the Department of Personnel, Department of Finance, Treasury, and Law relative to the administration of programs in which there is joint participation by the State and Federal Governments for the purpose of receiving the maximum amount of participation permitted under the appropriate Federal laws and regulations governing such programs.

4. All continuing appropriations in existence at the time this Act takes effect are discontinued and repealed by this Act, notwithstanding any provisions of the Kentucky Revised Statutes to the contrary, except as provided by Chapters 12, 42, 56, 152, 177 and 341 of the Kentucky Revised Statutes. All laws and portions of laws in conflict with any of the provisions of this Section, to the extent of such conflict, are hereby repealed.

5. No state agency, cabinet, department, office or program shall incur any obligation against the General Fund appropriations contained herein unless such obligation may be reasonably determined to have been contemplated in the Governor's budget proposal and is supported by appropriate work papers and other records pertaining thereto.

6. Any General Fund appropriation made herein in anticipation of a lack, loss or reduction of Federal grants shall lapse to the General Fund to the extent such Federal funds otherwise become available.

7. In the event that Federal monies become available to the Commonwealth under Title IV of Public Law 95-87, it is the intent of the General Assembly that these monies be appropriated to the Department of Finance to be used for nonrecurring projects in accordance with the intent of the Federal law.

8. Whereas, inasmuch as the finances of the Commonwealth cannot be ascertained with absolute certainty at this time, and since the actual needs of each officer, cabinet, department, board, commission, institution, agency or other activity or subdivision of state government can only be anticipated and not finally determined by the General Assembly, and since the total amount of revenue accruing to the General Fund and to the Transportation Fund and accruing from various fees or from Federal funds from which appropriations are made can only be anticipated as being produced through existing laws and those that may hereafter be enacted, and recognizing the complex nature of the economy, it is the purpose and intention of this Act that the expenditures for each fiscal year shall not exceed the total financial resources accruing to any Fund, as defined in KRS Chapter 45, for the same fiscal year. As the conditions cannot be fully determined until after the adjournment of the 1980 General Assembly, and as the needs of each officer, cabinet, department, board, agency, commission, institution, subdivision or activity of state government, together with the total financial resources accruing to the General Fund and the Transportation Fund cannot be fully determined at this time, it is the intention and purpose of this General Assembly that the Secretary of the Department of Finance, with the advice of the Commissioner of the Department of Revenue, upon approval of the Governor of the Commonwealth, is authorized, empowered and directed to ascertain and determine the needs of each officer, cabinet, department, board, commission, institution, subdivision, agency or other activity of state government and to ascertain the total financial resources anticipated to be accrued to the General Fund and the Transportation Fund of the Commonwealth, and upon the ascertainment and determination of said facts, he, the Secretary of the Department of Finance, in the manner set forth as provided by general law, is authorized, empowered, and directed by the General Assembly to prevent an overdraft or deficit in any fiscal year for which appropriations are herein made, by equitably reducing, according to needs, without discrimination, the appropriations herein made from the General Fund and Transportation Fund to each officer, cabinet, department, board, commission, institution, subdivision, agency or other activity in state government, provided, however, that the power invested shall not permit any reduction of the appropriations of any officer, cabinet, department, board, commission, institution, subdivision, agency or other activity of state government that will actually impair the necessary constitutional functions of such agency or activity, the operations and functions of which are determined to be necessary constitutional functions of state government.

9. In the event that General Fund expenditures for fiscal years 1979-80 or 1980-81 are less than General Fund appropriations in those same fiscal years, as reflected in the official accounting records of the Department of Finance at June 30, 1980 and June 30, 1981, respectively, there is hereby established a contingency fund in the state treasury and thereto appropriated to the Department of Finance the savings up to a maximum of $25,000,000 each fiscal year for expenditure for emergencies, for excess necessary governmental expenses as provided in Part I, for state legislation enacted by the 1980 General Assembly mandating programs for which there is no appropriation, for increased funding mandated by the Federal government, including the Federal courts, for capital construction projects funded by Federal Revenue Sharing should such funds be unavailable or insufficient for specified projects in Part V, and for any other necessary expenditure

proposed by the Governor. No funds may be expended under this section in the absence of prior consultation with the Interim Joint Committee on Appropriations and Revenue. No funds may be expended under this section if such expenditure would result in an estimated General Fund surplus balance at the end of each fiscal year of less than one percent of the Department of Revenue's official General Fund revenue estimate for that fiscal year.

10. The Secretary of Finance shall cause the office for policy and management to prepare a final budget memorandum based upon the executive budget proposal as modified and adopted by the 1980 General Assembly as well as other acts which provide appropriation during the 1980-82 biennium and based upon supporting documentation and records as considered by the 1980 General Assembly. This memorandum shall include for each agency and budget unit a consolidated budget summary statement of available regular and continuing appropriated revenue by fund source, corresponding appropriation allocations by program or subprogram as appropriate, budget expenditures by major budget class and such other fiscal data and commentary considered necessary by the Office for Policy and Management for budget execution and oversight. A copy of the final budget memorandum shall be provided to the appropriate agency and the Legislative Research Commission. Any amendments approved by the Department of Finance shall be communicated to the Interim Joint Appropriations and Revenue Committee.

11. All funds received under the Federal Social Security Amendments of 1977, Public Law 95-216 (H.R. 9346, Sec. 401, 402, and 405) are hereby appropriated to the Department for Human Resources to be used to implement Community Work Experience programs as established under KRS 205.650 - 205.700. In enacting this section of this Appropriation Act, it is the deliberate intention of the General Assembly that these funds should be used, within federal law and regulation, for federal match whenever possible to maximize their statewide impact.

12. It is the intent of the General Assembly that the Secretary of Finance shall be empowered and directed to transfer all funds appropriated to various agencies of state government in Part I for the operation and maintenance of the Kentucky Early Warning System (KEWS) to the Department of Finance to administer and manage the system.

The Committee on Transportation reported **HB 846, HB 880, HCR 67,** and **HR 114** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 846, AN ACT relating to the Great River Road.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 176 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created and established a commission to be known as the Mississippi river parkway commission of Kentucky. It shall be the function of the commission to promote the development of a scenic route, called the great river road, in those counties bordering the Mississippi river.

(2) The commission created herein shall be an affiliate of the national Mississippi river parkway commission and shall cooperate with and assist the national commission in promoting interest in, and the development and use of, the great river road as designated by the federal highway administration. The commission shall also direct the Kentucky department of transportation in regard to the expenditure of the great river road funds allocated to the state of Kentucky.

(3) The commission shall be composed of eight (8) members, with seven (7) members being appointed by the governor and the eighth member being the secretary of the Kentucky department of transportation who shall serve in an ex officio capacity with full voting rights. The counties of Ballard, Carlisle, Hickman, and Fulton shall be represented, with members appointed from their respective counties.

(4) At the first meeting of the commission and annually thereafter, the members shall select a chairman and a secretary from the membership. Meetings of the commission shall be called by the chairman on his own motion or on request of any four (4) members. Any four (4) members of the commission shall constitute a quorum for the purpose of transacting business. The chairman of the commission shall be the Kentucky representative on the national commission.

(5) Members of the commission shall not receive compensation for their services, but with respect to attendance at each regular or special meeting of the commission shall be entitled, as reimbursement for expense, to the existing Kentucky state government per diem rate for each day or part thereof that the commission is in session, plus mileage at the rate per mile now or hereafter provided by law for the reimbursement of mileage expense for state employes for travel from his home to the place of meeting and return.

(6) The Mississippi river parkway commission of Kentucky as established in this Act shall be located in the purchase area development district in Mayfield, Kentucky or the governor's office in Frankfort. The Mississippi river parkway commission, with the advice and consent of the governor shall appoint the great river road director who shall serve at the pleasure of the commission. For the purpose of directing and coordinating the efforts of the Mississippi river parkway commission and various state agencies regarding the selection, implementation and operation of the great river road projects, there shall be created a great river road division within the governor's office.

(7) To carry out the purposes of this act, there is appropriated to the great river road division of the governor's office out of the general fund in the state treasury the sum of one hundred thousand dollars ($100,000) for the 1980-81 fiscal year and one hundred thousand dollars ($100,000) for the 1981-82 fiscal year.

HB 880, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 189.910 is amended to read as follows:

(1) As used in KRS 189.920 to 189.950, "emergency vehicle" means any vehicle used for emergency purposes by a fire department; any vehicle used for emergency purposes by the state police, a public police department, or sheriff's office; any vehicle used for emergency purposes by a rescue squad; any publicly owned vehicle used for emergency purposes by a civil defense agency; ambulances; any vehicle commandeered by a police officer; or any motor vehicle used by a volunteer fireman while responding to an emergency.

(2) As used in KRS 189.920 to 189.950, "public safety vehicle" means public utility repair vehicle; wreckers; state, county, or municipal service vehicles and equipment; highway equipment which performs work that requires stopping and standing or moving at slow speeds within the traveled portions of highways; [and] vehicles which are escorting wide-load or slow-moving trailers or trucks*; and private vehicles owned by members of recognized civilian safety organizations rendering assistance at the request of a public agency.*

Section 2. KRS 189.950 is amended to read as follows:

(1) No motor vehicle, except those designated under KRS 189.910 to 189.950 as emergency vehicles, shall be equipped with, nor shall any person use upon a vehicle, any siren, whistle, or bell. Any vehicle may be equipped with a theft alarm signal device which shall be so arranged that it cannot be used as an ordinary warning signal.

(2) No motor vehicle, except those designated under KRS 189.910 to 189.950 as emergency vehicles, shall be equipped with, nor shall any person use upon a vehicle any red or blue flashing, revolving, or oscillating light or place a red light on the front thereof. This subsection shall not apply to the use of red flashing lights on school buses or to stop lights or turn signals at the rear of any motor vehicle.

(3) No motor vehicle, except those designated under KRS 189.910 to 189.950 as public safety vehicles, shall be equipped with, nor shall any person use upon any vehicle any yellow flashing, revolving, or oscillating light. *Members of recognized civilian safety organizations whose vehicles are defined as public safety vehicles in KRS 189.910(2) may use such lights only when said vehicles are stopped, standing, or parked.* This subsection shall not apply to the use of yellow lights for turn signals; or to emergency flasher lights for use when warning the operators of other vehicles of the presence of a vehicular traffic requiring the exercise of unusual care in approaching, overtaking, or passing; or to vehicles operated by mail carriers while on duty; funeral escort vehicles and church buses.

(4) Any person who is a regular or voluntary member of any fire department furnishing fire protection for a political subdivision of the state or any person who is a regular or voluntary member of a rescue squad may equip his vehicle with red flashing, rotating, or oscillating lights and a siren, bell, or exhaust whistle if he has first been given permission, in writing, to do so by the chief of the fire department or rescue squad. He may use such lights and equipment only while proceeding to the scene of a fire or other emergency in the performance of his official duties as a member of a fire department or rescue squad.

HCR 67, A CONCURRENT RESOLUTION urging the Kentucky Departments of Transportation, Tourism and Commerce respectively to upgrade transportation facilities and review the need for and desirability of commercial development in preparation for the opening of Big South Fork Park.

WHEREAS, Big South Fork Park, consisting of 123,000 acres in Southeastern Kentucky and Northeastern Tennessee is presently being developed by the United States Army Corps of Engineers to enhance the local economies of both areas; and

WHEREAS, the State of Tennessee has worked closely with the Army Corps of Engineers in planning and upgrading transportation and commercial facilities in the immediate area of Big South Fork Park while the Commonwealth of Kentucky has not; and

WHEREAS, the apathy of Kentucky officials in the development of this park is evidenced by the fact that the Kentucky Department of Transportation is not now constructing a direct access road to the park or upgrading existing road facilities in the area; and

WHEREAS, such apathy, if not immediately addressed will result in the benefits of this development accruing to our southern neighbors, while the Commonwealth will be casting aside an opportunity to provide a growth industry in Southeastern Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Kentucky Departments of Transportation, Tourism and Commerce be urged to study the transportation and commercial facilities and upgrade those facilities in preparation for the opening of Big South Fork Park.

Section 2. That the Director of the Legislative Research Commission be directed to transmit copies of this resolution to the Governor of Kentucky, Secretary of the Kentucky Departments of Transportation, Tourism and Commerce, in an effort to make state government officials aware of the situation at Big South Fork Park.

HR 114, A RESOLUTION inviting the Chessie System and Seaboard Coast Line Industries, upon their merger, to locate their combined corporate headquarters within the Commonwealth.

WHEREAS, the Chessie System and Seaboard Coast Line Industries are contemplating merger of their two great corporations; and

WHEREAS, both of said companies have historical ties with Kentucky, the Louisville and Nashville Railroad Company being one of the oldest of Kentucky corporations, and the Chessie's famous kitten, Chessie, having snoozed many a quiet and peaceful ride on the famous GEORGE WASHINGTON as it traveled through the peaceful hills and fields of Kentucky; and

WHEREAS, Kentucky is the major coal producer of the nation and the Louisville and Nashville Railroad and the Chesapeake and Ohio Railway combined would be the major rail originators of coal in the State; and

WHEREAS, Kentucky is centrally located in the proposed railroad system, with easy access to all parts thereof; and

WHEREAS, the Bluegrass and the Ohio River Valley offer unparalleled beauty and pleasures of life; and

WHEREAS, Kentucky offers an outstanding welcome and a warm hospitality to corporations and their employees; and

WHEREAS, Northern Kentucky, Louisville and Lexington have presented to principal officers of the two corporations their interest and desire to have the merged corporation locate in this great State; and

WHEREAS, the General Assembly has thought long and hard about alternative locations and has concluded that no better one exists and that, as in the case of hams, libations and horses, the claims of Virginia to be a better location for a corporate headquarters fade by comparison with those of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky General Assembly, on behalf of all citizens of the Commonwealth, invites the two companies to locate their combined corporate headquarters within the boundaries of the Commonwealth.

Section 2. That the Clerks of the House and Senate transmit a copy of this Resolution to the Honorable Prime F. Osborn and the Honorable Hays T. Watkins with the best wishes of the Commonwealth of Kentucky.

The Committee on Cities reported **SB 210** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 210, AN ACT relating to local government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 67C IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

In order to facilitate the operation of local government, to prevent the duplication of services, and to promote efficient and economical management of the affairs of local government, the voters of any county with a population exceeding on the average of twelve hundred (1200) persons per square mile of the county's total area are authorized to restructure, consolidate, or otherwise improve any or all units of local government within the boundaries of the county by creating a new form of county and local government. Such change of local governments shall take place only after compliance with the procedures set forth in this Act, including a referendum of the voters affected.

SECTION 2. A NEW SECTION OF KRS CHAPTER 67C IS CREATED TO READ AS FOLLOWS:

(1) The process for developing a new form of county and local government in accordance with this Act shall be initiated by one of the following means:

(a) By the concurrent action of the county judge/executive of the county and the mayor of the largest city within the county, delivered to the county clerk; or

(b) By the concurrent action of the fiscal court of the county and the legislative body of the largest city delivered to the county clerk; or

(c) By the filing with the county clerk of a petition signed by a number of registered voters equal to five percent (5%) of the voters of the county voting in the immediate past election of the county judge/executive.

(2) Any initiation of the process specified in subsection (1) of this section shall request that a commission be appointed to draft a comprehensive plan for a new form of county and local government in accordance with this Act.

(3) Upon the initiation of the process required by subsection (1) of this section, the county judge/executive of the county and the mayor of the largest city within the county shall appoint a representative drafting commission composed of one (1) registered voter residing within each of the state representative districts lying wholly or substantially within the county plus one (1) registered voter residing within each of the state senatorial districts lying wholly or substantially within the county. Appointments shall be divided equally between the two political parties having the largest registration within the county, provided that fair representation be given to voters registered as independents. No more than six (6) of those appointed may be elected officials. The county judge/executive and the mayor of the largest city in the county shall jointly appoint the chair.

(4) The drafting commission appointed in accordance with this section shall devise a comprehensive plan for a new form of county and local government. The plan shall include a description of the form, structure, officers and their functions of the proposed new form of county and local government and such other provisions as the commission shall determine. Any units of county and local government established or restructured under the comprehensive plan may exercise the existing constitutional and statutory powers of the county and local governments within the county, including but not limited to those in KRS 67.650 and 82.085. In any restructuring of county and local government within the county the comprehensive plan may redistribute, but not increase, existing powers and privileges, including the power of ad valorem taxation. Any units of county and local government established or restructured under the comprehensive plan shall exercise all constitutional duties imposed before any adoption of the comprehensive plan upon the county or other units of local government included within the comprehensive plan.

(5) Prior to the final drafting of the comprehensive plan, the commission shall hold four (4) public hearings on separate days and in various locations throughout the county. The hearings shall be open to all residents of the county and at such hearings the commission shall explain in a clear and understandable manner the proposed plan and permit any resident wishing to speak thereon the opportunity to do so. After the completion of the four (4) hearings the commission shall prepare the final draft of the comprehensive plan, taking into account the comments and suggestions received at the public hearings. The final draft of the plan shall be submitted to the fiscal court of the county and the legislative body of the largest city within the county for their approval. If either or both bodies fail to approve the plan, it shall be sent back to the commission with a statement of objections. The commission may redraft the plan and resubmit it to the bodies.

(6) Should both the fiscal court of the county and the legislative body of the largest city within the county approve the plan pursuant to subsection (5) of this section, then it shall be advertised in accordance with KRS Chapter 424 at least ninety (90) days before a general election at which the voters will be asked to approve or disapprove the adoption of the plan. The ballots shall be counted, returns made and canvassed as in other elections, and the results shall be certified by the county board of elections to the county clerk. The votes cast shall be counted separately for the area of the county located outside the boundaries of the

largest city within the county and for the area within the boundaries of such city, and it appears that the majority of those voting both in the area of the county outside the boundaries of the largest city and the area within the largest city are in favor of adopting the plan, the drafting commissioners shall enter such fact of record and shall organize the new form of county and local government in accordance with the provisions of the plan. The initial election of county and local officials created or retained by the comprehensive plan shall be held at the end of the term of a county judge/executive. Upon the election and qualification of these officials, the new form of county and local government shall immediately become the effective government.

SECTION 3. A NEW SECTION OF KRS CHAPTER 67C IS CREATED TO READ AS FOLLOWS:

In case a drafting commission is appointed in accordance with Section 2 of this Act, the fiscal court of the county and the legislative body of the largest city within the county shall appropriate for the use of the commission sufficient funds, in equal amounts, to carry out the purposes of this Act upon such terms as the fiscal court and the legislative body may provide. Within the appropriations authorized, the commission may hire staff and contract for necessary services. Nothing in this Act shall prohibit the commission from accepting gifts from other governmental units or from private foundations or individuals for administrative purposes.

SECTION 4. A NEW SECTION OF KRS CHAPTER 67C IS CREATED TO READ AS FOLLOWS:

In accordance with KRS 446.090, if any portion of this Act or application thereof to any person or circumstances shall be found to be invalid by a court, such invalidity shall not affect the remaining portions or applicability of the Act which can be given effect without the invalid portion or applicability.

The Committee on Business Organizations and Professions reported **SB 80** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 80, AN ACT relating to eggs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

It is declared to be in the interest of the public welfare that all handlers, dealers, processors, wholesalers, and retailers of eggs shall be permitted and encouraged to act jointly in promoting and stimulating the increased production, use and sale, domestic and foreign, of eggs through research, market development, and education.

SECTION 2. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context otherwise requires:

(1) "Board" means the state board of agriculture;

(2) "Commissioner" means the commissioner of agriculture;

(3) "Dealer" means a person, organization, or cooperative engaged in the business of buying eggs from producers, either on his own account or as an agent, and selling or transferring eggs by the case to a wholesaler, processor, retailer, or other person;

(4) "Handler" means a dealer, processor, or wholesaler;

(5) "Person" means any individual, firm, partnership, corporation, company, or association, and shall include any trustee, receiver or similar representative;

(6) "Processor" means a person who operates a plant for the purpose of breaking eggs for freezing or drying;

(7) "Retailer" means any person selling or offering for sale eggs to consumers in this state; and

(8) "Wholesaler" means a person who assembles eggs in case lots and disposes of them in quantities to retailers, or through other distribution channels.

SECTION 3. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS;

No association meeting or activity undertaken in pursuance of the provisions of this Act and intended to benefit all of the producers, retailers, and handlers of eggs shall be deemed or considered illegal or in restraint of trade.

SECTION 4. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

It is hereby further declared to be in the public interest and highly advantageous to the agricultural economy of the state that handlers of eggs shall be permitted by referendum to be held subject to the provisions of this Act to levy upon themselves an assessment on eggs and provide for the collection of the same for the purpose of financing or contributing towards the financing of a program of research, market development, and education to increase the domestic and foreign consumption, use, sale and markets for eggs.

SECTION 5. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

(1) Any existing association which is fairly representative of the handlers of eggs in the state, such as the Kentucky Poultry Federation, Inc., may at any time after the enactment of this Act make application to the state board of agriculture on forms prescribed by the board for certification and approval for the purpose of conducting a referendum among the handlers of eggs upon the question of levying an assessment under the provisions of this Act and collecting and utilizing the same for the purpose stated in the referendum. Such application forms shall include, but not be limited to, the following:

(a) Applicant's name;
(b) Applicant's address:
(c) Date;
(d) Program to be undertaken for producers, retailers, and handlers;
(e) Brief statement of how the program is to be implemented;
(f) Referendum to be conducted on a statewide or an area basis;
(g) Proposed effective date of the program;
(h) Geographic area, by counties, of handlers to be affected by the program; and
(i) Signature of the applicant.

(2) Upon receipt of the application, the commissioner shall publish the application through the medium of the public press in the state within ten (10) days of receipt thereof.

SECTION 6. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

Upon being so certified by the commissioner of agriculture, the association shall thereupon be fully authorized and empowered to hold and conduct on the part of the handlers of eggs a referendum on the question of whether or not such handlers shall levy upon themselves an assessment under, and subject to, and for the purpose stated in this Act. Such referendum may be conducted either on a statewide or an area basis.

SECTION 7. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

Any referendum conducted under the provisions of this Act may be held either on an area or a statewide basis, as may be determined by such duly certified association before the referendum is called; and the referendum on an area or a statewide basis, may be participated in by all handlers of eggs. In the referendum, individuals so eligible for participation shall vote upon the question of whether or not there shall be levied an annual assessment in the amount set forth in the call for the referendum.

SECTION 8. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

The manner, conduct and management of any referendum held under the provisions of this Act shall be under the supervision and direction of the commissioner of agriculture, and any and all expenses in connection therewith shall be borne by the association conducting the referendum.

SECTION 9. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

With respect to any referendum conducted under the provisions of this Act, the commissioner of agriculture shall, before calling and announcing the referendum, fix, determine and publicly announce at least thirty (30) days before the date determined for the referendum, the date, hours and polling places for voting in the referendum, the effective date of the assessment, if adopted, the amount and basis of the assessment proposed to be collected, the means by which such assessment shall be collected if authorized by the handlers, and the general purposes to which the amount so collected shall be applied. No assessment levied under the provisions of any referendum shall exceed one cent (1¢) for each fifteen (15) dozen lot of eggs or portion thereof bought or sold by a handler.

SECTION 10. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

The hours, voting places, rules and regulations, and the area within which the referendum will be conducted shall be established and determined by the commissioner of agriculture. The said referendum date, area, hours, voting places, and rules and regulations with respect to the holding of the referendum shall be published by the commissioner through the medium of the public press in the state at least thirty (30) days before holding the referendum, and direct written notice thereof shall likewise be given to each county or area agent in any county covered by the referendum. Such notice shall likewise contain a statement of the amount of the assessment proposed to be levied, which assessment in any event shall not exceed one cent

(1¢) for each fifteen (15) dozen lot of eggs or portion thereof bought or sold by a handler, and shall likewise state the method by which such assessment shall be collected and how the proceeds thereof shall be administered and the purposes to which the same shall be applied, which purposes shall be in keeping with the provisions of this Act.

SECTION 11. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS;

The commissioner shall likewise prepare and distribute in advance of the referendum all necessary ballots for the purpose thereof and shall arrange for the necessary poll holders for conducting the referendum. Following the referendum and within ten (10) days thereafter, the commissioner shall canvass and publicly declare the result of the referendum.

SECTION 12. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

If, in the referendum called under the provisions of this Act, a majority of the eligible handlers in the area in which the referendum is conducted, who vote therein, shall vote in the affirmative and in favor of levying and collecting the assessment proposed in the referendum, then such assessment shall be collected in the manner determined and announced by the association conducting the referendum.

SECTION 13. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

In the event a majority of the eligible handlers in the referendum who vote therein shall vote in favor of the assessment, then the commissioner shall notify forthwith, by registered or certified mail, all handlers of eggs engaged in the business of purchasing or selling eggs in this state, that on and after the date specified in such letter, the specified assessment shall be in effect. The assessment shall, on or before the fifteenth (15th) day of the month following the end of the month in which the handler purchased or sold eggs, be remitted to the duly certified association which conducted the referendum. Such funds, including donations from individuals, concerns, corporations and grants from state or governmental agencies, shall be used for the purpose of promoting and stimulating by advertising, research and other methods the increased production, use and sale, domestic and foreign, of eggs. The books and records of all handlers shall at all times be open for inspection by the commissioner or his duly authorized agents during regular business hours.

SECTION 14. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

In the event the referendum is carried in the affirmative and the assessment is levied and collected as provided, any handler upon and against whom such assessment shall have been levied and collected under the provisions of this Act, if dissatisfied with said assessment and the result thereof, shall have the right to demand of and receive from the treasurer of the certified association a refund of the assessment collected; provided, such demand for refund is made in writing within thirty (30) days from the date on which the assessment is collected from the handler.

SECTION 15. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

(1) The board shall review the assessment program annually. If, at the end of each year after the first year of the assessment program, the board determines that there is dissatisfaction with the program, the commissioner shall then conduct a referendum among the handlers in the area. If upon the referendum, a majority of the handlers voting in the area reject the program, it shall be terminated at the end of the year in which the referendum for the area was conducted; otherwise, the assessment program shall continue in force and effect.

(2) If the duly certified association expresses in writing its desire to the commissioner to discontinue the assessment program and terminate the program, the commissioner shall within fifteen (15) days following receipt of the request convene the board to review and act on the request. The board, after reviewing the request and conducting whatever proceedings are deemed appropriate and necessary in connection with the request, may terminate the program effective at the end of the year in which the board action is taken; and, in this event, the commissioner shall notify, by registered or certified mail, the handlers affected thereby of the termination of the program.

SECTION 16. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

Whenever in the judgment of the board or the duly certified association, a handler has engaged in or is about to engage in any acts or practices that constitute a violation of any of the provisions of this Act, the board or the duly certified association may make application to the Franklin Circuit Court for an order enjoining such act, or acts or practices and obtain a restraining order and preliminary injunction against the handler.

Section 17. KRS 260.600 is amended to read as follows:

(1) A license is required of each handler of eggs located in the commonwealth subject to the exceptions specified in KRS 260.550. The annual license fees are as follows, varying for dealers, wholesalers and processors, according to the average weekly volume of the month in which the licensee handled the most eggs during the preceding year:

(a)	Retailers	$ 5.00
(b)	Dealers and wholesalers	
	1-25 cases	$ 5.00
	26-50 cases	$ 10.00
	51-100 cases	$ 15.00
	More than 100 cases	$ 20.00
(c)	Processors	
	Less than 250 cases	$ 20.00
	250-500 cases	$ 30.00
	501-1000 cases	$ 40.00
	More than 1000 cases	$ 50.00

(2) Any egg handler engaged in more than one type of activity for which a license is provided must pay that license fee which is the highest of the licenses prescribed for each type of activity in which he is engaged.

(3) All eggs bought or sold by or to any egg handler must bear a *one cent (1¢)* [two cent (2¢)] inspection fee [stamp] for each fifteen (15) dozen lot or portion thereof; subject to the exemptions specified in KRS 260.550 and 260.610.

(4) All licenses shall expire on April 1 of each year. Handlers having more than one place of business must hold a license for each place. Each application shall bear the names of the persons responsible for candling and grading eggs.

Section 18. KRS 247.994 is amended to read as follows:

(1) Any purchaser of soybeans who violates, or fails or refuses to comply with the provisions of KRS 247.510 to 247.595, shall upon conviction be fined not less than twenty-five dollars ($25) nor more than fifty dollars ($50) for each offense; each day of the violation, or failing or refusing to comply with the provisions of KRS 247.510 to 247.595 shall constitute a separate offense.

(2) Any operator of a livestock market, meat packing establishment, or slaughter establishment who violates or fails or refuses to comply with the provisions of KRS 247.610 to 247.685 shall upon conviction be fined not less than twenty-five dollars ($25) nor more than fifty dollars ($50) for each offense. Each day of the violation, or failing, or refusing to comply with the provisions of KRS 247.610 to 247.685 shall constitute a separate offense.

(3) Any operator of a tobacco warehouse, tobacco manufacturing establishment, or tobacco dealer who violates or fails or refuses to comply with the provisions of KRS 247.710 to 247.785 shall upon conviction be fined not less than twenty-five dollars ($25) nor more than fifty dollars ($50) for each offense. Each failure to withhold or refusal to comply with the provisions of KRS 247.710 to 247.785 shall constitute a separate offense.

(4) Any egg handler who violates, or fails, or refuses to comply with the provisions of this Act shall, upon conviction, be fined not less than twenty-five dollars ($25) nor more than fifty dollars ($50) for each offense. Each day of violating, or failing, or refusing to comply with the provisions of this Act shall constitute a separate offense.

The Committee on Health and Welfare reported **HB 777** with Committee Amendment attached thereto, **HB 782, HB 927** with Committee Substitute and Committee Amendment attached thereto, **HR 96, SB 66,** and **SCR 23** with expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 777, AN ACT relating to the State Medicaid Program.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 205.510 is amended to read as follows:

As used in this chapter as it pertains to medical assistance unless the context clearly requires a different meaning:

(1) "Council" means the advisory council for medical assistance;

(2) "Dentist" means a person authorized to practice dentistry under laws of the Commonwealth;

(3) "Medical care" as used in this chapter means essential medical, surgical, dental, optometric, podiatric, and nursing services, in the home, office, clinic, or other suitable places, which are provided or prescribed by physicians, optometrists, podiatrists or dentists licensed to render such service, including drugs and medical supplies, appliances, laboratory, diagnostic and therapeutic services, nursing home and convalescent care, hospital care as defined in KRS 205.560(1)(a), and such other essential medical services and supplies as may be prescribed by such persons; but not including abortions, or induced miscarriages or premature

births, unless in the opinion of a physician such procedures are necessary for the preservation of the life of the woman seeking such treatment or except in induced premature birth intended to produce a live viable child and such procedure is necessary for the health of the mother or her unborn child. However, this section does not authorize optometrists to perform any services other than those authorized by KRS chapter 320;

(4) "Nurses" means persons authorized to practice professional nursing under the laws of the Commonwealth;

(5) "Nursing home" means a facility which provides routine medical care in which physicians regularly visit patients, which provide nursing services and procedures employed in caring for the sick which require training, judgment, technical knowledge, and skills beyond that which the untrained person possesses, and which maintains complete records on patient care, and which is licensed pursuant to the provisions of KRS 216.405;

(6) "Optometrist" means a person authorized to practice optometry under the laws of the Commonwealth;

(7) "Pharmacist" means a person authorized to practice pharmacy under the laws of the Commonwealth;

(8) "Physician" means a person authorized to practice medicine or osteopathy under the laws of the Commonwealth;

(9) "Podiatrist" means a person authorized to practice podiatry under the laws of the Commonwealth;

(10) "Primary care center" means a facility which provides comprehensive medical care with emphasis on the prevention of disease and the maintenance of the patients' health as opposed to the treatment of disease;

(11) *"Public health department" means a local public health department which under the general supervision of the local board of health and the department for human resources, formulates, promotes, establishes and executes policies, plans and programs to safeguard the health of the people of the Commonwealth;*

(12) "Public assistance recipient" means a person who has been certified by the bureau for social insurance of the department for human resources as being eligible for, and a recipient of, public assistance under the provisions of this chapter;

(13)[(12)] "Other persons eligible for medical assistance" may include the categorically needy excluded from money payment status by state requirements and classifications of medically needy individuals as permitted by federal laws and regulations and as prescribed by regulation of the secretary for human resources or his designee;

(14)[(13)] "Vendor payment" means a payment for medical care which is paid by the department for human resources directly to the authorized person or institution which rendered medical care to an eligible recipient.

Section 2. KRS 205.560 is amended to read as follows:

(1) The scope of medical care for which the department for human resources undertakes to pay shall be designated and limited by regulations promulgated by said department, pursuant to the provisions hereof. Within the limitations of any appropriation therefor, the provision of complete upper and lower dentures to recipients of medical assistance program benefits who have their teeth removed by a dentist resulting in the total absence of teeth shall be a mandatory class in the scope of medical care. Payment to a dentist of any such medical assistance program benefits for complete upper and lower dentures shall only be provided on the condition of a preauthorized agreement between an authorized representative of the medical assistance program and the dentist prior to the removal of such teeth. The selection of another class or other classes of medical care shall be recommended by the council to the secretary for human resources after taking into consideration, among other things, the amount of federal and state funds available, the most essential needs of recipients, and the meeting of such need on a basis insuring the greatest amount of medical care as defined in KRS 205.510 consonant with the funds available including but not limited to the following categories; except where such aid is for the purpose of obtaining an abortion, induced miscarriage or induced premature birth unless, in the opinion of a physician such procedures are necessary for the preservation of the life of the woman seeking such treatment or except an induced premature birth intended to produce a live viable child and such procedure is necessary for the health of the mother or her unborn child:

(a) Hospital care, including drugs, and medical supplies and services during any period of actual hospitalization;

(b) Nursing home care, including medical supplies and services, and drugs during confinement therein on prescription of a physician, dentist, or podiatrist;

(c) Drugs, nursing care, medical supplies and services during the time when a recipient is not in a hospital but is under treatment and on the prescription of a physician, dentist, or podiatrist;

(d) Physician, podiatric, dental and optometric services; *however, the regulations shall provide for the payment to public health departments for services rendered by physicians, certified pediatric nurse practitioners, and certified nurse midwives when such services are within their lawful scope of practice;*

(e) Nonprofit neighborhood health organizations, *public health departments,* or clinics where some or all of the medical services are provided by licensed registered nurses or by advanced medical students presently enrolled in a medical school accredited by the Association of American Medical Colleges and where such students or licensed registered nurses are under the direct supervision of a licensed physician who rotates his services in this supervisory capacity between two or more of the nonprofit neighborhood health organizations, *public health departments,* or clinics specified herein.

(2) Payments for hospital care, nursing home care, and drugs or other medical, ophthalmic, podiatric and dental supplies shall be on bases which relate the amount of the payment to the cost of providing such services or supplies. It shall be one of the functions of the council to make recommendations to the department for human resources with respect to such bases for payment.

(3) No vendor payment shall be made unless the class and type of medical care rendered and the cost basis therefor has first been designated by regulation.

(4) The rules and regulations of the department for human resources shall require that a written statement including the required opinion of a physician shall accompany any claim for reimbursement for abortions, induced miscarriages or premature births. This statement shall indicate the procedures used in providing such medical services.

(5) The range of medical care benefit standards provided and the quality and quantity standards and the methods for determining cost formulae for vendor payments within each category of public assistance and other recipients shall be uniform for the entire state, and shall be designated by regulation promulgated within the limitations established by the Social Security Act and federal regulations. The amount of payments for units of services need not be uniform for the entire state but may vary from county to county and from city to city, as well as among hospitals, based on the prevailing cost of medical care in such locale and other local economic and geographic conditions.

(6) Nothing in this section shall require that any payment be made for optometric services or ophthalmic supplies.

The Committee Amendment No. 1 to **HB 777** is as follows:

Amend printed copy of **HB 777,** page 5, line 23, by deleting the word "*pediatric*" and substituting the word "*advanced*" in lieu thereof

and on line 25, by adding after the word "*practice;*" the following words: "*in no case shall payments by the Department for Human Resources exceed the federal share of medicaid payment. Public health departments shall provide the local share.*"

HB 782, AN ACT relating to consumer product safety.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 217D IS HEREBY ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

This Act may be cited as the Kentucky Consumer Safety Act of 1980.

SECTION 2. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

In enacting legislation relating to consumer product safety, it is the intent of the general assembly to protect the public against unreasonable risks of injury associated with consumer products.

SECTION 3. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context clearly indicates otherwise, the following terms shall have the meanings set forth below:

(1) "Commerce" means trade, traffic, commerce or transportation within the Commonwealth of Kentucky.

(2) "Consumer product" means any article or component part thereof, produced or distributed for sale to a consumer for use in or around a permanent or temporary household or residence, a school, in recreation, or otherwise, or for the personal use, consumption, or enjoyment of a consumer in or around a permanent or temporary household or residence, a school, in recreation, or otherwise. It includes, but is not limited to the following: general household appliances; kitchen appliances; space heating; cooling and ventilating appliances; housewares; home communications; entertainment and hobby equipment; home furnishings and fixtures; home alarm, escape and protection devices; home workshop apparatus and tools; home

and family maintenance products; household packagings and containers; sports and recreational equipment; toys; yard and garden equipment; child nursery equipment and supplies; personal use items; clothing; home structures and construction materials; and, other consumer products designated by regulation of the secretary. The term "consumer product" does not include: any article or product which is not customarily produced or distributed for sale to, or use or consumption by, or enjoyment of a consumer; tobacco and tobacco products; motor vehicles or motor vehicle equipment; pesticides; firearms; aircraft and aircraft paraphernalia; boats; foods; drugs; cosmetics, as provided by the federal act and except as otherwise provided by law.

(3) "Consumer product safety regulation" means a consumer product safety standard regulation adopted by the secretary.

(4) "Department" means the Kentucky department for human resources.

(5) "Distributor" means a person to whom a consumer product is delivered or sold for purposes of distribution in commerce, except that such term does not include a manufacturer or retailer of such product.

(6) "Federal act" includes the Consumer Product Safety Act of 1972 and the Consumer Product Safety Commission improvements Act of 1976 (15 USC 2051 et. seq.); the Federal Hazardous Substances Act (15 USC 1261 et seq.); the Flammable Fabrics Act (15 USC 1191 et. seq.); the Poison Prevention Packaging Act (15 USC 1471 et. seq.); the Household Refrigerator Act (15 USC 1213 et. seq.); and, all amendments thereto.

(7) "Federal consumer product safety standard" means a consumer product safety standard regulation adopted pursuant to the federal act.

(8) "Imminently hazardous consumer product" means a consumer product which presents imminent and unreasonable risk of severe personal injury, serious illness, or death.

(9) "Manufactured" means to manufacture, produce, or assemble.

(10) "Manufacturer" means any person who manufactures or brings into or sends into the Commonwealth of Kentucky a consumer product.

(11) "Person" means an individual, firm, partnership, company, corporation, trustee, association, or any public or private entity.

(12) "Private labeler" means an owner of a brand or trademark on the label of a consumer product which bears a private label.

(13) "Retailer" means a person to whom a consumer product is delivered or sold for purposes of sale or distribution by such person to a consumer.

(14) "Risk of injury" means a risk of personal injury, serious or frequent illness, or death.

(15) "Secretary" means the secretary for the department for human resources.

(16) "To distribute in commerce" and "distribution in commerce" means to sell in commerce, to introduce or deliver for introduction into commerce, or to hold for sale or distribution after introduction into commerce within the Commonwealth of Kentucky.

SECTION 4. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

The secretary may adopt rules and regulations prescribing safety standards for consumer products provided that such standards are not inconsistent with those adopted under the federal act, and for the proper administration and enforcement of this Act. The secretary may adopt federal consumer product safety rules and regulations by reference. Compliance with federal rules and regulations prescribing consumer product standards issued pursuant to the federal act shall be deemed compliance with this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

(1) The department shall formulate, promote, establish, and execute policies, plans and programs relating to consumer product safety. The department may administer and enforce the provisions of this Act through local health departments. For purposes of administering and enforcing this Act, and the rules, regulations, and orders prescribed pursuant to this Act, officers, or employes of the department and of local health departments are authorized:

(a) To enter, at reasonable times, any factory, warehouse, or establishment in which consumer products are manufactured or held, in connection with distribution in commerce, or any conveyance being used to transport consumer products in connection with distribution in commerce;

(b) To inspect, at reasonable times and in a reasonable manner such conveyance or those areas of such factory, warehouse, or establishment where such products are manufactured, held or transported and which may relate to the safety of such products;

(c) To conduct investigations of injuries, diseases, deaths, and other health impairments involving consumer products as the department deems necessary;

(d) To collect samples for laboratory analysis;

(e) To order a recall of an imminently hazardous consumer product that is in violation of the provisions of this Act or the federal act, or the rules and regulations adopted by the secretary; and

(f) To order a recall of a consumer product which has been declared a banned hazardous product under the federal act or by a regulation under this Act.

(2) The department may contract, administer grants, gifts or contributions from the federal government or from other sources, for the purpose of carrying out the provisions of this Act or any other acts for the same or similar purposes and cooperate with appropriate federal agencies in the enforcement of the federal act including recalls, bans, and market blocking action relative to imminently hazardous consumer products.

(3) Every person who is a manufacturer, private labeler, or distributor of a consumer product shall establish and maintain such records, make such reports, and provide such information as the secretary may, by regulation, reasonably require for the purpose of implementing this Act, or to determine compliance with regulations prescribed pursuant to this Act. Upon request of an officer or employe of the department or local health department, every such manufacturer, private labeler, or distributor shall permit the inspection of appropriate books, records, and papers relevant to determining whether such manufacturer, private labeler, or distributor has acted or is acting in compliance with this Act.

SECTION 6. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

It shall be unlawful for any person to:

(1) Manufacture for sale, offer for sale, distribute in commerce, or bring into or send into this state, any consumer product which is not in conformity with an applicable consumer product safety standard adopted under this Act;

(2) Manufacture for sale, offer for sale, distribute in commerce, or bring into or send into this state, any consumer product which has been declared a banned hazardous product or an imminently hazardous consumer product under the federal act or by a regulation under this Act;

(3) Fail or refuse to permit access to records, or reports or provide information, or to permit entry or inspection, or to permit the department to evaluate a consumer product, as required under this Act or regulation thereunder;

(4) Fail to comply with any rule or regulation adopted by the secretary relating to consumer product safety;

(5) Fail to comply with any order or quarantine or recall relating to a consumer product issued by the department or local health department;

(6) Fail to comply with any order relating to a consumer product issued by the department or local health department;

(7) Subsections (1) and (2) of this section shall not apply to any person who holds a certificate issued in accordance with the federal act to the effect that such consumer product conforms to all applicable consumer product safety regulations.

SECTION 7. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

(1) Whenever an authorized agent of the department or local health department having jurisdiction finds, or has probable cause to believe, that any consumer product is not in compliance with the provisions of this Act or the consumer product safety standard regulations adopted by the secretary or that has been declared an imminently hazardous consumer product, he shall affix to such product a tag or other appropriate marking, giving notice that such produce is, or is suspected of being in violation of this Act or the rules and regulations adopted hereunder, and has been detained or quarantined and warning all persons not to remove or dispose of such product by sale or otherwise until permission for removal or disposal is given by such agent or the court. It shall be unlawful for any person to remove or dispose of such detained or quarantined article by sale or otherwise without such permission.

(2) When a consumer product detained or quarantined under subsection (1) of this section has been found by such agent to be in violation of this Act or the rules and regulations of the secretary, he shall petition the judge of the district or circuit court in whose jurisdiction the product is detained or quarantined for an order for condemnation of such product; provided that nothing in this section shall require that the department or its agent shall go to court if destruction of the quarantined product is accomplished by agreement made in writing with the owner of the property. When such agent has found that a product so detained or quarantined is not in violation of this Act or the rules and regulations of the secretary, he shall remove the tag or other marking.

(3) If the court finds that a detained or quarantined product is in violation of this Act or the rules and regulations of the secretary, such product shall, after entry of the order, be destroyed at the expense of the claimant thereof, under the supervision of such agent, and all court costs and fees, and storage and other proper expenses, shall be taxed against the claimant of such product or his agent; provided that when the violation can be corrected by proper labeling, processing, or modifying the product, the court, after entry of the order and after such costs, fees, and expenses have been paid and a good and sufficient bond, conditioned that such product shall be so labeled or processed, has been executed, may by order direct that such

product be delivered to the claimant thereof for such labeling or processing under the supervision of an agent of the department or local health department. The expenses of such supervision shall be paid by the claimant. Such bond shall be returned to the claimant of the product on representation to the court by the department or local health department having jurisdiction, that the product is no longer in violation, and that the expenses of such supervision have been paid.

SECTION 8. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

It shall be the duty of each county attorney, commonwealth attorney or attorney general to whom the department or its agent report any violation of this Act, to cause appropriate proceedings to be instituted in the proper courts without delay and to be prosecuted in the manner required by law. Before any violation of this Act is reported to any such attorney for the institution of a legal proceeding, the person against whom such proceeding is contemplated may be given appropriate notice and an opportunity to present his views before the department or its designated agent; either orally, in writing, in person, or by attorney, with regard to such contemplated proceeding.

SECTION 9. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

Nothing in this Act shall be construed as requiring the department to report for the institution of proceedings under this Act, violations of this Act, whenever the department believes that the public interest will be adequately served in the circumstances by a suitable written notice or warning.

SECTION 10. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

Notwithstanding the existence of pursuit of any other remedy (civil or criminal) the department may maintain, in the Franklin circuit court in its own name, an action to restrain or enjoin any violation of this Act, irrespective of whether or not there exists an adequate remedy at law.

SECTION 11. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

All regulations of the department for human resources relating to hazardous substances adopted previous to the effective date of this Act and on file with the legislative research commission shall continue in effect unless subsequently amended or repealed pursuant to the provisions of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 217D IS CREATED TO READ AS FOLLOWS:

Any person who violates any provision of Section 6 of this Act or any rule or regulation of the secretary or any order issued pursuant thereto, shall be guilty of a misdemeanor and shall on conviction thereof be subject to a fine of not less than one hundred dollars ($100) nor more than five hundred dollars ($500), or by imprisonment for not more than thirty (30) days, or both; but, if the violation is committed after a conviction of such person under this section has become final, such person shall be subject to a fine of not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000), or by imprisonment for not more than ninety (90) days, or both. Each day of violation or noncompliance shall constitute a separate offense.

Section 13. The following section of the Kentucky Revised Statutes are repealed:

217.650	Citation of KRS 217.650 to 217.710.
217.660	Definitions for KRS 217.650 to 217.710.
217.670	Construction of term "misbranded."
217.680	Prohibited sales.
217.690	Regulations.
217.700	Duty of department as to misbranded hazardous substance — Procedure — Costs — Bond.
217.710	Notice may be given of intended criminal proceeding.
217.993	Penalties for violation of KRS 217.650 to 217.710.

HB 927, AN ACT relating to abortion.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

It is the intention of the general assembly of the Commonwealth of Kentucky to protect hereby the life and health of the woman subject to abortion, to protect the life and health of the human being who might survive at birth, and to assure the integrity and autonomy of the woman's decision whether to submit to abortion or to carry her child to term. It is the further intention of the general assembly to foster the *development of standards of professional conduct in a novel area of medical practice, to provide for development of statistical data, and to protect the right of the minor woman voluntarily to decide to submit to abortion or to carry her child to term. The general assembly finds as fact that the rights and interests furthered by this Act are not secure in the context in which abortion is presently performed.*

It is the present intention of the general assembly to protect the valid and compelling interests of the Commonwealth and its inhabitants without unduly burdening the constitutional privacy rights of the woman as delineated by the courts. If, however, the United States constitution is amended or relevant judicial decisions are reversed or modified, the declared policy of this Commonwealth to recognize and to protect the lives of all human beings regardless of their degree of biological development shall be fully restored.

SECTION 2. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Unless language or context indicates a different meaning is intended, the following words and phrases shall be defined as follows for the purposes of this Act:

(1) "First trimester" means the first twelve (12) weeks of gestation calculated in accordance with the woman's menstrual cycle.

(2) "Viability" means that stage of fetal development when, in the medical judgment of the attending physician based on the particular facts of the case before him, there is a reasonable likelihood of sustained survival of the fetus outside the body of a human female, with or without artificial support.

(3) "Physician" means any person licensed to practice medicine or ostepathy pursuant to the provisions of Chapter 311 of the Kentucky Revised Statutes.

(4) "Hospital" means an institution licensed pursuant to the provisions of Chapter 216 of the Kentucky Revised Statutes.

(5) "Department" means the department for human resources of the Commonwealth of Kentucky.

(6) "Board" means the state board of medical licensure of the Commonwealth of Kentucky.

(7) "Abortion" means the use of any means whatsoever to terminate the pregnancy of a woman known to be pregnant with intent to cause fetal death.

(8) "Fertilization" means the fertilization of a human ovum by a human sperm, which shall be deemed to have occurred when it is known a spermatozoan has penetrated the cell membrane of the ovum.

(9) "Human being" means any member of the species homo sapiens from fertilization until death.

(10) "Fetus" means a human being from fertilization until birth.

(11) "Abortifacient" means any instrument, medicine, drug, or any other substance or device which is known to cause fetal death when employed in the usual and customary use for which it is manufactured, whether or not the fetus is known to exist when such substance or device is employed.

SECTION 3. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) No abortion shall be performed except by a physician after he determines that, in his best clinical judgment, the abortion is necessary. Any person who intentionally, knowingly, or wantonly performs an abortion contrary to the requirements of this subsection commits a Class C felony.

(2) No abortion shall be performed except in compliance with regulations which the department shall issue to assure:

(a) That, before the abortion is performed, the woman upon whom the abortion is to be performed will have a private medical consultation with the physician who is to perform the abortion, that the consultation will be in a place, at a time, and of a duration reasonably sufficient to enable the physician to determine whether, based on his best clinical judgment, the abortion is necessary; and

(b) That the physician who is to perform the abortion will describe the basis of his best clinical judgment that the abortion is necessary on the form which shall be prescribed by the department under Section 12 of this Act.

(3) The regulations issued pursuant to subsection (2) of this section shall provide that the requirements of subsection (2)(a) of this section shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency. In such a case, the regulations shall provide that the physician shall describe the basis of his medical judgment that such an emergency exists on the form which shall be prescribed by the department under Section 12 of this Act.

(4) Any person who intentionally, knowingly, wantonly, or recklessly violates the requirements of subsection (2) or (3) of this section, or regulations promulgated thereunder, commits a Class B misdemeanor.

SECTION 4. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) No abortion shall be performed or induced except with the voluntary and informed consent of the women upon whom the abortion is to be performed or included. Consent to an abortion is voluntary and informed if and only if:

(a) The woman is provided, at least twenty-four (24) hours before the abortion, with the following information by the physician who is to perform the abortion or his designated agent:

1. The name of the physician who will perform the abortion.

2. The particular medical risks associated with the particular abortion procedure to be employed.

3. The probable gestational age of the fetus at the time the abortion is to be performed.

4. The printed information prescribed in Section 6 of this Act, and

(b) Prior to submitting to the abortion, but subsequent to receiving the information prescribed by subsection (1)(a) of this section the woman certifies in writing that she has received that information from the physician who is to perform the abortion or his designated agent at least twenty-four (24) hours before the abortion is to be performed, that she consents to the abortion, and that her consent is voluntary and not the result of coercion.

(2) (a) The requirement of subsection (1)(a) of this section that at least twenty-four (24) hours elapse between the provision of the information prescribed and the performance of the abortion and the requirement of subsection (1) (b) of this section that the woman's certification include a statement indicating that at least twenty-four (24) hours elapsed between the provisions of the information prescribed and the performance of the abortion shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency. In such a case, the physician shall describe the basis of his medical judgment that such an emergency existed on the form which shall be prescribed by the department under Section 12 of this Act.

(b) Subsection (1) of this section shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency which warrants nullification of the requirements that the woman be provided with the information prescribed by subsection (1)(a) of this section and that the woman certify her consent as prescribed by subsection (1)(b) of this section. In such a case, the physician shall describe the basis of his medical judgment that such an emergency exists on the form which shall be prescribed by the department under Section 12 of this Act and, if the woman survives the abortion, the physician shall subsequently inform her of the medical indications for his judgment that a medical emergency existed and of the particular medical risks associated with the particular abortion procedure employed the symptoms of which might become manifest in the future.

(3) Any person who intentionally, knowingly, wantonly, or recklessly violates the requirements of this section commits a Class A misdemeanor. Failure to provide the woman with information pursuant to the requirements of this section is prima facie evidence of failure to obtain informed consent in appropriate civil actions. The law of this Commonwealth shall not be construed to preclude award of exemplary damages or damages for emotional distress even if unaccompanied by physical complications in any appropriate civil action relevant to violations of this section. Nothing in this section or in the law of this Commonwealth shall be construed to limit the common law rights of the woman to secure informed consent to abortion.

SECTION 5. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) No abortion shall be performed or induced upon a minor under the age of eighteen (18) years except in accordance with a court order issued pursuant to subsection (2) of this section.

(2) (a) Jurisdiction over cases in which a physician seeks to perform an abortion upon a minor under the age of eighteen (18) years shall be vested in the circuit court of the judicial circuit in which the applicant resides, in which the minor resides, or in which the abortion is to be performed. Once jurisdiction has been invoked in one (1) of these districts, the other shall have no jurisdiction over the case, unless jurisdiction is transferred by order of the judge without objection.

(b) 1. A physician who desires to perform an abortion on a minor shall cause a written petition to be filed in a circuit court of competent jurisdiction during normal business hours. An officer of the court shall immediately be assigned to the application. The assigned court officer shall immediately contact the physician or his counsel, if any, and the minor to arrange for a hearing of the physician, the minor, counsel for the same, if any, and the assigned court officer with the judge in chambers at the earliest possible time, but not later than twenty-four (24) hours after the petition is filed.

2. Alternatively, a physician who desires to perform an abortion on a minor may personally appear with the minor at the office of the clerk during normal business hours. In such a case, an officer of the court shall immediately be assigned to the application. Any available circuit judge shall thereupon immediately recess any proceeding then in session and conduct a private interview in chambers with the physician, the minor, counsel for the same, if any, and the assigned court officer.

(c) During the private interview, which shall be transcribed by a court reporter or tape recorded, the judge shall make such inquiries as in his discretion seem appropriate to determine that the minor desires an abortion and to ensure that her consent to the abortion is voluntary, informed, and not the result of coercion. These inquiries shall include, but shall not be limited to, a private interview from which her physician and her parents, if present, shall be excluded. The judge shall issue an order directing that the mirror be permitted to have an abortion if the minor's consent is voluntary, informed, and not the result of coercion. If the judge finds that the minor does not voluntarily consent to the abortion, the judge may fashion such

orders within his equitable powers as he deems necessary and appropriate to protect the minor from neglect or abuse as a result of her failure to consent to an abortion. Under no circumstances shall the judge order a minor to have an abortion against her will or preclude her from altering her decision between the time of the order permitting an abortion and the abortion.

(3) Subsection (1) of this section shall not apply in the case of a minor who has been adjudged incompetent under KRS Chapter 203, in which case the usual procedures for obtaining consent for medical treatment of an incompetent shall apply. But if the incompetent, under KRS 203.022(5), has not been disabled from giving and refusing consent to medical treatment, Section 3(1) of this Act shall apply.

(4) The requirements of subsection (1) of this section shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency. In such a case, the physician who performs the abortion shall describe the basis of his medical judgment that such an emergency exists on the form prescribed by the department as required by Section 12 of this Act.

(5) Any person who performs an abortion upon a woman either with knowledge that she is a minor described by this section, or with wanton or reckless disregard whether she is a minor described by this section, unless in reliance on what he in good faith believes to be a court order authorizing the abortion, commits a Class D felony. However, if he does so in good faith reliance on a representation that the minor is an incompetent with regard to whom the exception set forth in subsection (3) of this section, and in accordance with the usual procedures for obtaining consent for medical treatment of an incompetent, no penalty shall attach.

SECTION 6. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) The department shall cause to be published, within sixty (60) days after this Act becomes law, easily comprehensible printed materials as follows:

(a) Material designed to inform the woman of public and private agencies and services available to assist a woman through pregnancy, upon childbirth, and while the child is dependent, including adoption agencies, which shall include a comprehensive list of the agencies available, the services they offer, and a description of the manner in which they might be contacted; and

(b) Material designed to inform the woman of the probable anatomical and physiological characteristics of the fetus at the various gestational ages at which abortion might be performed, including any relevant information on the possibility of fetal survival.

(2) The materials required by subsection (1)(b) of this section shall occupy no more than four (4) sheets of eight and one-half by eleven inches (8 ½" by 11") printed in a typeface large enough to be clearly legible.

(3) Nothing in this Act shall be construed to limit the right of the physician or of any other person to express to the woman his own views concerning the validity or importance of the materials prescribed by this section. The materials required under this section shall be available at no cost from the department upon request and in appropriate number to any person, facility, or hospital.

SECTION 7. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

The department shall issue regulations to assure that, after the first trimester of pregnancy, abortion may not be performed or induced except by a physician in a place with such equipment, facilities, personnel, and such other conditions as the department shall require in order fully to safeguard the life and health of the woman who submits to abortion and any infant who might survive the abortion procedure. Such regulations shall include, but shall not be limited to, requirements relevant to specific methods of abortion, in-patient treatment, qualifications of attending personnel, hygiene, and disposal of fetal remains. The regulations issued shall provide that facilities in which such abortions are performed shall be equipped with a blood bank or a sufficient supply of whole blood and a sufficient supply of electrolyte solutions immediately available, and shall have facilities for rhesus factor (RH) testing, analgesia and anesthesia service, and sufficient resucitation equipment to treat unconscious patients and patients with cardiovascular collapse. The regulations shall also provide that abortion may only be performed in a hospital with facilities for intensive care of neonates when the fetus is viable and there exists any possibility of live birth in view of the particular abortion procedure to be performed. Appropriate exceptions for medical emergencies shall be provided, with a requirement that the physician describe the basis of his judgment that an emergency exists on the form which shall be prescribed by the department under Section 12 of this Act.

SECTION 8. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Any person who intentionally, knowingly, wantonly, or recklessly performs or induces an abortion when the fetus is viable commits a Class C felony. It shall be a complete defense to any charge brought against a physician for violating the requirements of this section that, in the good faith best medical judgment of the physician charged based on the particular facts of the case before him, the fetus was not viable *at the time the abortion was performed or induced, or the abortion was necessary to preserve maternal life or health.*

SECTION 9. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) The board shall cause an annual hearing to be held for the following purposes:

(a) To determine when and under what conditions it may normally be presumed that a fetus is viable; and

(b) To determine when and under what conditions there exists the possibility of fetal viability.

(2) The board shall find that the presumption of viability exists under those medically determinable conditions in the presence of which, in light of current medical knowledge and skill, there exists reasonable medical certainty that there is a reasonable likelihood of sustained survival of the fetus outside the body of the human female, in view of the medical technology currently available within this Commonwealth.

(3) The board shall find that the possibility of viability exists under those medically determinable conditions in the presence of which, in light of advancing medical knowledge and skill, there exists reasonable medical certainty that there is a reasonable possibility of sustained survival of the fetus outside the body of the human female, in view of medical technology currently available within this Commonwealth.

(4) The initial hearing required under this section shall be held within one hundred twenty (120) days from the time this Act becomes law, and shall be conducted annually thereafter. The board shall publish notice of the time and the place such hearings will be held in a manner reasonably calculated to provide notice to the medical profession of this Commonwealth. All relevant written and oral testimony shall be accepted and considered; the board may consider relevant data from sources other than the evidence or testimony offered at the hearing. The determinations of the board shall be based on the preponderence of evidence. Within sixty (60) days of the time this section becomes law, the board shall promulgate regulations relevant to the conduct of such hearings and may revise them thereafter as it deems appropriate. Within thirty (30) days after the hearing, the board shall publish standards for the presumption of viability and the possibility of viability in accordance with this section in a manner reasonably calculated to provide notice to the medical profession of this Commonwealth. For the purposes of subsection (5) of this section, these standards shall take effect thirty (30) days after publication.

(5) (a) Before performing any abortion subsequent to the first trimester of pregnancy, the physician shall determine, in his best medical judgment based on the particular facts of the case before him:

1. Whether the fetus meets the current standards for presumption of viability issued by the board;

2. Whether the fetus meets the current standards for possibility of viability issued by the board; and

3. Whether the fetus is viable.

The physician shall report these determinations on the form which shall be prescribed by the department under Section 12 of this Act.

(b) In every case in which the physician has determined that the presumption of fetal viability exists under subsection (5)(a) of this section, the physician who performs an abortion shall report the following information on the form which shall be prescribed by the department under Section 12 of this Act:

1. The basis for his determination that the fetus was not viable; or

2. The basis for his determination that the abortion was necessary to preserve maternal life or health.

(c) In every case in which the physician has determined that the possibility of viability exists under subsection (5)(a) of this section, the physician who terminates a pregnancy shall exercise that degree of professional care, skill and diligence to preserve, encourage, and sustain the life and the health of the fetus which the physician would be required to exercise in order to preserve the life and the health of any fetus intended to be born alive and not aborted. The physician need not employ any measures during the course of the pregnancy termination to preserve, encourage, or sustain the life or the health of the fetus which would increase medical risk to the mother.

(6) The dead fetus and all tissue removed at the time of the abortion shall be submitted for a gross and microscopic analysis and tissue report to a board eligible or certified pathologist as a matter of record in all cases after every abortion performed after the first trimester of pregnancy. The results of the analysis and the report shall be returned by the pathologist to the physician who performed the abortion and the physician who performed the abortion shall report any complications of which the report gives evidence to this patient. The pathologist shall report any evidence of live birth, viability, or possible viability to the department on a form and within a time which the department shall prescribe under Section 12 of this Act. Intentional, knowing, wanton, or reckless failure of the physician to submit a fetus or tissue remains to a pathologist for such a purpose, or intentional, knowing, wanton, or reckless failure of the pathologist to report any evidence of live birth, viability, or possible viability to the department in the manner and within the time the department shall prescribe is a Class D felony.

(7) Failure of any physician to conform to any requirement of this section constitutes "dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud or harm the public or any

member thereof: within the meaning of KRS 311.595(h). Upon a finding by the board that any physician has failed to conform to any requirement of this section, the board shall suspend that physician's license for a period of three (3) months or more. Intentional,- knowing, wanton, or reckless falsification of any report required under this section is a Class A misdemeanor.

SECTION 10. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) No hospital, clinic, or other health facility owned or operated by the Commonwealth, a county, a city, or other governmental entity (except the government of the United States, another state, or a foreign nation) shall:

(a) Provide, induce, or perform, or permit its facilities to be used for the provision, inducement, or performance of any abortion not necessary to prevent grave physiological injury or death to the woman;

(b) Lease or sell, or permit the subleasing of its facilities or property, to any physician or health facility for use in the provision, inducement, or performance of abortions, except abortion necessary to prevent grave physiological injury or death to the woman; or

(c) Enter into any contract with any physician or health facility agrees to provide, induce, or perform abortions, except abortion necessary to prevent grave physiological injury or death to the woman.

(2) Nothing in this section shall be construed to preclude any hospital, clinic, or other health facility from providing treatment for post-abortion complications.

(3) Any three (3) physicians licensed to practice in the Commonwealth and resident in the county in which the violation is alleged to occur may jointly file a civil action in circuit court for a restraining order, temporary injunction, or permanent injunction against any person, hospital, clinic, or health facility which they allege violates the requirements of this section, and if they prevail, they shall be awarded court costs and reasonable attorneys' fees.

SECTION 11. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) Any person who intentionally, knowingly, wantonly, or recklessly sells, delivers, or donates any drug, medicine, instrument, device, or substance which he knows to be an abortifacient or which is labeled as an abortifacient, unless upon the prescription or at the direction of a physician, commits a Class B misdemeanor.

(2) A physician who prescribes, administers, or directs the administration of what is labeled as an abortifacient without informing any woman for whom it is prescribed or upon whom it is administered that the item prescribed or administered is an abortifacient, unless in the medical judgment of the physician based on the particular facts of the case before him there exists a medical emergency, has engaged in "dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud or harm the public or any member thereof" within the meaning of KRS 311.595(h), and a cause of action shall lie for such conduct under the law of this Commonwealth.

(3) The requirements of subsection (1) of this section shall not apply to abortifacients intended for sale, delivery, or donation to persons who manufacture, wholesale, or retail the same, nor to abortifacients intended for sale, delivery, or donation to any licensed physician, hospital, or other licensed medical facility.

SECTION 12. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) A report of each abortion performed shall be made to the department on forms prescribed by it. Such report forms shall not identify the individual patient by name, but by an individual number to be noted in the woman's permanent record in the possession of the physician, and shall include information concerning:

(a) Identification of the physician who performed the abortion and the facility where the abortion was performed, and of the referring physician, agency, or service, if any;

(b) The legal residence of the woman and, if known, the legal residence of the father of the aborted fetus or child;

(c) The woman's date of birth, race, and marital status;

(d) The number of prior pregnancies;

(e) The date of the woman's last menstrual period, and the given gestational age of the fetus;

(f) The type of procedure performed or prescribed, and the date of the abortion;

(g) Complications, if any:

(h) The information required to be reported under Section 9(5) of this Act;

(i) The length and weight of the aborted fetus when measurable, and the pathologist's report to the physician under Section 9(6) of this Act;

(j) Basis for any medical judgment that a medical emergency existed as required by Sections 3(3), 4(2), 5(4), or 7 of this Act;

(k) The basis for the clinical judgment that an abortion is necessary as required by Section 3(2) of this Act; and

(l) The date of the medical consultation required by Section 3(2) of this Act, the time it began, and the time it ended.

(2) Such form, designated the "original report," shall be completed by the hospital or other licensed facility, signed by the physician who performed the abortion or pregnancy termination, and transmitted to the department within fifteen (15) days after each reporting month. Attached to each such form transmitted to the department shall be a completed form designated the "redacted copy" which shall be identical in all particulars to the "original report" except that the patient identification number, the material required by Section 12(1)(a) of this Act, and the physician's name shall be omitted.

(3) The department shall prescribe a form on which pathologists may report any evidence of live birth, viability, or possible viability under Section 9(6) of this Act, and by regulation, shall set the time within which such reports shall be required. Within five (5) days after receiving any such report, the department shall transmit a copy of it to the board.

(4) (a) The department may prescribe rules and regulations regarding the administration of this Act and shall prescribe regulations to secure the confidentiality of the woman's identify in a manner which accords with the policy described in the following paragraph.

(b) All information obtained by a physician, hospital, or ambulatory health facility from a patient for the purpose of preparing reports to the department under this Act and all reports received by the department or the board under this Act shall be confidential and shall be used only for statistical purposes except to the extent necessary to secure the rights or interests of a person or the Commonwealth pursuant to a court order in civil or criminal actions or proceedings to grant, suspend, or revoke licenses. However, within fifteen (15) days after receiving any reports under Section 12(1) and (2) of this Act all redacted copies of such records shall be made available by the department to the public for inspection and reproduction during normal business hours at its principal office, and copies of all original copies of such reports shall be transmitted to the board.

(5) Upon thirty (30) days public notice, the department is empowered to require reporting of any additional information which, in the sound discretion of the department or the board, is necessary to develop statistical data relating to the protection of maternal or fetal life or health, or is necessary to enforce the provisions of this Act, or is necessary to develop useful criteria for medical decisions. The department shall annually report to the legislature all statistical data gathered under this Act, and its recommendations to further the purpose of this Act.

SECTION 13. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Distribution of the printed information prescribed by Section 6 of this Act shall not be required by any part of this Act until the department publishes notice that such materials are initially available. Within ninety (90) days from the time this section becomes law, the department shall issue regulations pursuant to Sections 3(2) and 12 of this Act and Sections 3(2) and 12 shall not take effect until such regulations are issued. The department shall make available the forms required under Section 12 of this Act within ninety (90) days of the time this Act becomes law. No requirement that any person report information to the department shall become effective until the department has made available the forms required under Section 12 of this Act. All other provisions of this Act shall take effect immediately upon enactment, unless it otherwise provides.

Section 14. KRS 311.597 is amended to read as follows:

As used in KRS 311.595(h), "dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud or harm the public or any member thereof" shall include, but not be limited to the following acts by a licensee:

(1) Prescribes or dispenses any "controlled substance" as defined in KRS 218A.010(2):

(a) With the intent or knowledge that a controlled substance will be used or is likely to be used other than medicinally or for an accepted therapeutic purpose,

(b) With the intent to evade any law with respect to sale, use or disposition of such controlled substance(s),

(c) For the licensee's personal use or for the use of his immediate family when the licensee knows or has reason to know that an abuse of controlled substance(s) is occurring, or may result from such a practice, or

(d) In such amounts that the licensee knows or has reason to know, under the attendant circumstances, that said amounts so prescribed or dispensed are excessive under accepted and prevailing medical practice standards.

(2) Issues or publishes in any manner whatsoever, representations in which grossly improbable or extravagant statements are made which have a tendency to deceive or defraud the public, or a member thereof, including, but not limited to:

(a) Any representation in which the licensee claims that he can cure or treat manifestly incurable diseases, ailments or infirmities by any method, procedure, treatment or medicine which the licensee knows or has reason to know has little or no therapeutic value;

(b) Represents or professes or holds himself out as being able and willing to treat diseases, ailments or infirmities under a system or school of practice:

1. Other than that for which he holds a certificate or license granted by the board, or

2. Other than that for which he holds a degree or diploma from a school otherwise recognized as accredited by the board, or

3. Under a school or system which he professes to be self-taught.

(3) A serious act, or a pattern of acts committed during the course of his medical practice which, under the attendant circumstances, would be deemed to be gross incompetence, gross ignorance, gross negligence or malpractice.

(4) Conduct which is calculated or has the effect of bringing the medical profession into disrepute, including, but not limited to any departure from, or failure to conform to the standards of acceptable and prevailing medical practice within the Commonwealth of Kentucky, and any departure from, or failure to conform to the principles of medical ethics of the American medical association or the code of ethics of the American osteopathic association. For the purposes of this subsection, actual injury to a patient need not be established.

(5) Failure by a licensee to report a known or observed violation of KRS Chapter 311 by another licensee as described in KRS 311.606.

(6) Failure by a licensee who prescribes, administers, or directs the administration of what he knows to be an abortifacient or what is labeled as an abortifacient to inform the woman for whom it is prescribed or upon whom it is administered that the item prescribed or administered is an abortifacient, unless in the medical judgment of the licensee based on the particular facts of the case before him there exists a medical emergency.

(7) Failure of any physician to conform to any requirement of Section 9 of this Act.

SECTION 15. A NEW SECTION OF KRS CHAPTER 212 IS CREATED TO READ AS FOLLOWS:

(1) A physician who desires to perform a sterilization on a minor shall cause a written petition to be filed in the circuit court of the judicial circuit in which the minor resides, in which the applicant resides, or in which the sterilization is to be performed. The court shall expeditiously schedule a hearing during which the judge shall make such inquiries as in his discretion seem appropriate to determine that the minor desires sterilization and to ensure that his consent to the sterilization is voluntary, informed, and not the result of coercion. These inquires shall include, but shall not be limited to, a private interview from which his physician and his parents, if present, shall be excluded. The judge shall sign the consent form if the minor's consent is voluntary, informed, and not the result of coercion. If the judge finds that the minor does not voluntarily consent to the sterilization, the judge may fashion such orders within his equitable powers as he deems necessary and appropriate to protect the minor from neglect or abuse as a result of her failure to consent to a sterilization. Under no circumstances shall the judge order or permit a minor to be sterilized against his will or preclude him from altering his decision between the time of the order permitting a sterilization and the sterilization.

(2) KRS 212.345(2) shall not apply in the case of a minor who has been adjudged incompetent under KRS Chapter 203 in which case KRS 212.345(3) shall apply. But if the incompetent, under KRS 203.022(5), has not been disabled from giving and refusing consent to medical treatment, KRS 212.345(2) shall apply.

SECTION 16. A NEW SECTION OF KRS CHAPTER 212 IS CREATED TO READ AS FOLLOWS:

KRS 212.343 - 212.347 shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency.

Section 17. KRS 212.341 is amended to read as follows:

As used in KRS 212.343 to 212.347, unless the text requires otherwise:

[(1)] "Sterilization" shall mean any procedure or operation, the purpose of which is to render an individual permanently incapable of reproducing.

[(2) "Nontherapeutic sterilization" shall mean any procedure or operation, the purpose of which is to render an individual permanently incapable of reproducing and which is not either:

(a) A necessary part of the treatment of an existing physical illness or injury, or

(b) Medically indicated as an accompaniment of an operation on the female genitourinary tract.]

Section 18. KRS 212.343 is amended to read as follows:

Any physician who is requested to perform a [nontherapeutic] sterilization shall provide counseling to the person who requests the sterilization.

Section 19. KRS 212.345 is amended to read as follows:

Before any person in the commonwealth may have a [nontherapeutic] sterilization performed upon himself, he shall give written informed consent to the performance of the sterilization. To be valid such consent document shall be endorsed by the following persons in the following instances:

(1) By the consenting individual in all cases;

(2) By the adult parent or guardian of the consenting individual if such be a minor child and unmarried;

(3) By the committee of the consenting individual if such be an incompetent person *and, if such be a minor child, by a judge of the circuit court.*

Section 20. KRS 212.347 is amended to read as follows:

No physician shall perform a [nontherapeutic] sterilization on any person before twenty-four (24) hours following the giving of written informed consent by the person requesting such sterilization.

Section 21. KRS 311.990 is amended to read as follows:

(1) Any person who violates KRS 311.250 shall be fined fifty dollars ($50) for the first offense and one hundred dollars ($100) for each subsequent offense.

(2) Any college or professor thereof violating the provisions of KRS 311.300 to 311.350 shall be civilly liable on his bond for a sum not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) for each violation, which may be recovered by an action in the name of the Commonwealth.

(3) Any person who presents to the county clerk for the purpose of registration any license which has been fraudulently obtained, or obtains any license under KRS 311.380 to 311.510 by false or fraudulent statement or representation, or practices podiatry under a false or assumed name or falsely impersonates another practitioner or former practitioner of a like or different name, or aids and abets any person in the practice of podiatry within the state without conforming to the requirements of KRS 311.380 to 311.510, or otherwise violates or neglects to comply with any of the provisions of KRS 311.380 to 311.510, shall be fined not less than two hundred and fifty dollars ($250) nor more than five thousand dollars ($5,000) or imprisoned in the county jail for not less than three (3) months nor more than twelve (12) months, or both so fined and imprisoned. Each case of practicing podiatry in violation of the provisions of KRS 311.380 to 311.510 shall be considered a separate offense.

(4) Each first violation of KRS 311.560 shall be punishable by a fine of not less than two hundred and fifty ($250) nor more than five thousand dollars ($5,000) or by imprisonment for not less than one (1) month nor more than twelve (12) months, or both. Each subsequent violation of KRS 311.560 shall constitute a felony and be punishable by a fine of not less than one thousand ($1,000) nor more than ten thousand dollars ($10,000) or by imprisonment in a penitentiary for not less than one (1) nor more than three (3) years, or both.

(5) Each violation of KRS 311.590 shall constitute a felony and shall be punishable by a fine of not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000) or by imprisonment in a penitentiary for not less than one (1) nor more than three (3) years. Conviction, under this subsection, of a holder of a license or permit, shall result automatically in permanent revocation of such license or permit.

(6) Conviction of wilfully resisting, preventing, impeding, obstructing, threatening or interfering with the board or any of its members, or of any officer, agent, inspector or investigator of the board or the department for human resources, in the administration of any of the provisions of KRS 311.550 to 311.620 shall be punishable by a fine of not more than one thousand dollars ($1,000) or by imprisonment for not more than six (6) months, or both.

(7) Each violation of subsection (1) of KRS 311.375 shall, for the first offense, be punishable by a fine of not less than fifty dollars ($50) nor more than three hundred dollars ($300) or by imprisonment for not more than thirty (30) days or both, and, for each subsequent offense, by a fine of not less than three hundred dollars ($300) nor more than one thousand dollars ($1,000) or by imprisonment for not more than one (1) year, or both.

(8) Each violation of subsection (2) of KRS 311.375 shall, for the first offense, be punishable by a fine of not more than one hundred dollars ($100) or by imprisonment for not more than thirty (30) days, or both, and, for each subsequent offense, by a fine of not less than one hundred dollars ($100) nor more than two hundred and fifty dollars ($250) or by imprisonment for not more than ninety (90) days or both.

(9) Each day of violation of either subsection of KRS 311.375 shall constitute a separate offense.

(10) Conviction of wilfully resisting, preventing, impeding, obstructing, threatening or interfering with the board or any of its members, or of any officer, agent, inspector or investigator of the board in the administration of any of the provisions of KRS 311.550 to 311.620 shall be punishable by a fine of not more than one thousand dollars ($1,000) or by imprisonment for not more than six (6) months, or both.

(11) [Any physician who fails to comply with the provisions of KRS 311.730, upon conviction thereof shall be fined not more than five hundred dollars ($500).

(12) Failure to procure the informed consent of those required to give their consent pursuant to KRS 311.740, prior to performing an abortion shall be punishable by imprisonment in the county jail not to exceed one (1) year or a fine not to exceed one thousand dollars ($1,000), or both.

(13) Any person convicted of violating KRS 311.750 shall be imprisoned in the penitentiary for a term of not less than ten (10) nor more than twenty (20) years.

(14) Any person who violates KRS 311.760(2), 311.770 or 311.780 shall be imprisoned for a term not to exceed two (2) years or fined not more than five thousand dollars ($5,000), or both.

(15) A person convicted of violating KRS 311.780 shall be imprisoned in the penitentiary for not less than two (2) nor more than twenty-one (21) years.

(16)] Any person who violates KRS 311.810 shall be imprisoned in the county jail for a term not to exceed twelve (12) months or fined a sum not to exceed one thousand dollars ($1,000), or both.

(12)[(17)] Any professional medical association or society, licensed physician, or hospital or hospital medical staff who shall have violated the provisions of KRS 311.606, shall be fined not less than one hundred dollars ($100), nor more than five hundred dollars ($500) for each failure to so report as described in KRS 311.606.

(13)[(18)] Any person who violates KRS 311.652 or any rule or regulation of the board of medical licensure adopted pursuant to KRS 311.654 shall be guilty of a Class A misdemeanor.

(14)[(19)] Any person who violates KRS 311.914 shall be guilty of a misdemeanor and on conviction shall be punished by a fine of not less than twenty-five dollars ($25) nor more than two hundred dollars ($200).

Section 22. KRS 211.027 is amended to read as follows:

The department for human resources shall promulgate reasonable rules and regulations to effectuate the purposes of KRS *311.790* [213.055 and 311.710] to 311.810, which shall be submitted to the legislative research commission in a manner prescribed in KRS chapter 13; the legislative research commission shall refer said rules and regulations to the interim committee on health and welfare for the purpose of approval or disapproval.

Section 23. KRS 213.990 is amended to read as follows:

(1) Any physician in medical attendance upon any deceased person at the time of death who neglects or refuses, on request, to make out and deliver to the undertaker, sexton or other person in charge of the disposition of the body the medical certificate of cause of death shall be fined not less than five dollars ($5.00) nor more than fifty dollars ($50.00).

(2) Repeated failure to report births and deaths shall be sufficient cause for the revocation of a physician's certificate to practice medicine in this state.

(3) Any physician who knowingly makes a false certification of the cause of death in any case shall be fined not less than fifty dollars ($50.00) nor more than two hundred dollars ($200).

(4) Any person who fails to comply with the provisions of subsection (1) or (2) of KRS 213.050 shall be fined not less than five dollars ($5.00) nor more than fifty dollars ($50.00).

(5) Any undertaker, sexton or other person acting as undertaker who inters, removes or otherwise disposes of the body of any deceased person without the required burial or removal permit shall be fined not less than twenty dollars ($20.00) nor more than one hundred dollars ($100).

(6) Any registrar or deputy registrar who neglects or fails to enforce the provisions of this chapter in his district, or neglects or refuses to perform any of the duties imposed upon him by this chapter or by the instructions and directions of the division of vital statistics, shall be fined not less than ten dollars ($10.00) nor more than one hundred dollars ($100). In addition, any local registrar who fails to perform efficiently the duties of his office shall forthwith be removed from office by the county health officer.

(7) Any person who wilfully alters any certificate of birth or death, or the copy of any certificate of birth or death, on file in the office of the local registrar, shall be fined not less than ten dollars ($10.00) nor more than one hundred dollars ($100) or be imprisoned in the county jail not more than sixty (60) days, or both.

(8) Any person who violates any of the provisions of this chapter or who wilfully neglects or refuses to perform any duties imposed upon him by the provisions of this chapter for which no specific penalty is provided, or who furnishes false information to a physician, undertaker, midwife or informant for the purpose of making an incorrect certification of birth or death, shall be fined not less than five dollars ($5.00) nor more than one hundred dollars ($100).

(9) Any transportation company or common carrier that transports or carries, or accepts for transportation or carriage, the body of any deceased person without an accompanying removal or transit permit, shall be fined not less than fifty dollars ($50.00) nor more than two hundred dollars ($200). In case the death occurred outside the state, and the body is accompanied by a certificate of death, or a burial, removal or transit permit issued in accordance with the law or health regulations in force where the death occurred, such death certificate, or burial, removal or transit permit will authorize the transportation or carriage of the body into or through this state.

(10) Any person who violates KRS 213.125 shall be fined not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000) or imprisoned in the county jail for not less than thirty (30) days nor more than one (1) year, or both.

[(11) Any physician who fails to comply with the procedures outlined in KRS 213.055 shall be fined an amount not to exceed five hundred dollars ($500).]

SECTION 24. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Sections 1 to 14 and Section 21 of this Act may be cited as follows: "Kentucky Abortion Act of 1980."

SECTION 25. The following sections of the Kentucky Revised Statutes are repealed:

199.605 Termination of parental rights on birth of illegitimate children.
312.055 Officers of board — Salary of executive secretary — Compensation of board members.
311.710 Legislative findings.
311.720 Definitions.
311.730 Counseling by physician required prior to performance of abortion.
311.740 Consent requirements.
311.750 Performance by other than licensed physician prohibited.
311.760 Minimum standards for performance of abortion.
311.770 Restriction on use of saline method.
311.780 Prohibition of abortion after viability — Exceptions.
436.023 Waiting period required between consent to and performance of abortion.

The Committee Substitute to **HB 927** is as follows:

Committee Substitute for **HB 927,** AN ACT relating to abortion.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) It is the intention of the general assembly of the Commonwealth of Kentucky to protect hereby the life and health of the woman subject to abortion, to protect the life and health of the human being who might survive at birth, and to assure the integrity and autonomy of the woman's decision whether to submit to abortion or to carry her child to term. It is the further intention of the general assembly to foster the development of standards of professional conduct in a novel area of medical practice, to provide for development of statistical data, and to protect the right of the minor woman voluntarily to decide to submit to abortion or to carry her child to term. The general assembly finds as fact that the rights and interests furthered by this Act are not secure in the context in which abortion is presently performed.

(2) It is the present intention of the general assembly to protect the valid and compelling interests of the Commonwealth and its inhabitants without unduly burdening the constitutional privacy rights of the woman as delineated by the courts. If, however, the United States constitution is amended or relevant judicial decisions are reversed or modified, the declared policy of this Commonwealth to recognize and to protect the lives of all human beings regardless of their degree of biological development shall be fully restored.

SECTION 2. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Unless language or context indicates a different meaning is intended, the following words and phrases shall be defined as follows for the purposes of this Act:

(1) "First trimester" means the first twelve (12) weeks of gestation calculated in accordance with the woman's menstrual cycle.

(2) "Viability" means that stage of fetal development when, in the medical judgment of the attending physician based on the particular facts of the case before him, there is a reasonable likelihood of sustained survival of the fetus outside the body of a human female, with or without artificial support.

(3) "Physician" means any person licensed to practice medicine or ostepathy pursuant to the provisions of Chapter 311 of the Kentucky Revised Statutes.

(4) "Hospital" means an institution licensed pursuant to the provisions of Chapter 216 of the Kentucky Revised Statutes.

(5) "Department" means the department for human resources of the Commonwealth of Kentucky.

(6) "Board" means the state board of medical licensure of the Commonwealth of Kentucky.

(7) "Abortion" means the use of any means whatsoever to terminate the pregnancy of a woman known to be pregnant with intent to cause fetal death.

(8) "Fertilization" means the fertilization of a human ovum by a human sperm, which shall be deemed to have occurred when it is known a spermatozoan has penetrated the cell membrane of the ovum.

(9) "Human being" means any member of the species homo sapiens from fertilization until death.

(10) "Fetus" means a human being from fertilization until birth.

SECTION 3. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) No abortion shall be performed except by a physician after he determines that, in his best clinical judgment, the abortion is necessary. Any person who intentionally, knowingly, or wantonly performs an abortion contrary to the requirements of this subsection commits a Class C felony.

(2) No abortion shall be performed except in compliance with regulations which the department shall issue to assure:

(a) That, before the abortion is performed, the woman upon whom the abortion is to be performed will have a private medical consultation with the physician who is to perform the abortion, that the consultation will be in a place, at a time, and of a duration reasonably sufficient to enable the physician to determine whether, based on his best clinical judgment, the abortion is necessary; and

(b) That the physician who is to perform the abortion will describe the basis of his best clinical judgment that the abortion is necessary on the form which shall be prescribed by the department under Section 9 of this Act.

(3) The regulations issued pursuant to subsection (2) of this section shall provide that the requirements of subsection (2)(a) of this section shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency. In such a case, the regulations shall provide that the physician shall describe the basis of his medical judgment that such an emergency exists on the form which shall be prescribed by the department under Section 9 of this Act.

(4) Any person who intentionally, knowingly, wantonly, or recklessly violates the requirements of subsection (2) or (3) of this section, or regulations promulgated thereunder, commits a Class B misdemeanor.

SECTION 4. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) No abortion shall be performed or induced except with the voluntary and informed consent of the women upon whom the abortion is to be performed or induced. Consent to an abortion is voluntary and informed if and only if:

(a) The woman is provided, at least twenty-four (24) hours before the abortion, with the following information by the physician who is to perform the abortion or his designated agent:

1. *The name of the physician who will perform the abortion.*
2. *The particular medical risks associated with the particular abortion procedure to be employed.*
3. *The probable gestational age of the fetus at the time the abortion is to be performed.*
4. *The printed information prescribed in Section 6 of this Act, and*

(b) Prior to submitting to the abortion, but subsequent to receiving the information prescribed by subsection (1)(a) of this section the woman certifies in writing that she has received that information from the physician who is to perform the abortion or his designated agent at least twenty-four (24) hours before the abortion is to be performed, that she consents to the abortion, and that her consent is voluntary and not the result of coercion.

(2) (a) The requirement of subsection (1)(a) of this section that at least twenty-four (24) hours elapse between the provision of the information prescribed and the performance of the abortion and the requirement of subsection (1)(b) of this section that the woman's certification include a statement indicating that at least twenty-four (24) hours elapsed between the provisions of the information prescribed and the performance of the abortion shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency. In such a case, the physician shall describe the basis of his medical judgment that such an emergency existed on the form which shall be prescribed by the department under Section 9 of this Act.

(b) Subsection (1) of this section shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency which warrants nullification of the requirements that the woman be provided with the information prescribed by subsection (1)(a) of this section and that the woman certify her consent as prescribed by subsection (1)(b) of this section. In such a case, the physician shall describe the basis of his medical judgment that such an emergency exists on the form which shall be prescribed by the department under Section 9 of this Act and, if the woman survives the abortion, the physician shall subsequently inform her of the medical indications for his judgment that a medical emergency existed and of the particular medical risks associated with the particular abortion procedure employed the symptoms of which might become manifest in the future.

(3) Any person who intentionally, knowingly, wantonly, or recklessly violates the requirements of this section commits a Class A misdemeanor. Failure to provide the woman with information pursuant to the requirements of this section is prima facie evidence of failure to obtain informed consent in appropriate civil actions. The law of this Commonwealth shall not be construed to preclude award of exemplary damages or damages for emotional distress even if unaccompanied by physical complications in any appropriate civil action relevant to violations of this section. Nothing in this section or in the law of this Commonwealth shall be construed to limit the common law rights of the woman to secure informed consent to abortion.

SECTION 5. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) No abortion shall be performed or induced upon a minor under the age of eighteen (18) years except in accordance with a court order issued pursuant to subsection (2) of this section.

(2) (a) Jurisdiction over cases in which a physician seeks to perform an abortion upon a minor under the age of eighteen (18) years shall be vested in the circuit court of the judicial circuit in which the applicant resides, in which the minor resides, or in which the abortion is to be performed. Once jurisdiction has been invoked in one (1) of these districts, the other shall have no jurisdiction over the case, unless jurisdiction is transferred by order of the judge without objection.

(b) 1. A physician who desires to perform an abortion on a minor shall cause a written petition to be filed in a circuit court of competent jurisdiction during normal business hours. An officer of the court shall immediately be assigned to the application. The assigned court officer shall immediately contact the physician or his counsel, if any, and the minor to arrange for a hearing of the physician, the minor, counsel for the same, if any, and the assigned court officer with the judge in chambers at the earliest possible time, but not later than twenty-four (24) hours after the petition is filed.

2. Alternatively, a physician who desires to perform an abortion on a minor may personally appear with the minor at the office of the clerk during normal business hours. In such a case, an officer of the court shall immediately be assigned to the application. Any available circuit judge shall thereupon immediately recess any proceeding then in session and conduct a private interview in chambers with the physician, the minor, counsel for the same, if any, and the assigned court officer.

(c) During the private interview, which shall be transcribed by a court reporter or tape recorded, the judge shall make such inquiries as in his discretion seem appropriate to determine that the minor desires an abortion and to ensure that her consent to the abortion is voluntary, informed, and not the result of coercion. These inquiries shall include, but shall not be limited to, a private interview from which her physician and her parents, if present, shall be excluded. The judge shall issue an order directing that the minor be permitted to have an abortion if the minor's consent is voluntary, informed, and not the result of coercion. If the judge finds that the minor does not voluntarily consent to the abortion, the judge may fashion such orders within his equitable powers as he deems necessary and appropriate to protect the minor from neglect or abuse as a result of her failure to consent to an abortion. Under no circumstances shall the judge order a minor to have an abortion against her will or preclude her from altering her decision between the time of the order permitting an abortion and the abortion.

(3) Subsection (1) of this section shall not apply in the case of a minor who has been adjudged incompetent under KRS Chapter 203, in which case the usual procedures for obtaining consent for medical treatment of an incompetent shall apply. But if the incompetent, under KRS 203.022(5), has not been disabled from giving and refusing consent to medical treatment, Section 3(1) of this Act shall apply.

(4) The requirements of subsection (1) of this section shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency. In such a case, the physician who performs the abortion shall describe the basis of his medical judgment that such an emergency exists on the form prescribed by the department as required by Section 9 of this Act.

(5) Any person who performs an abortion upon a woman either with knowledge that she is a minor described by this section, or with wanton or reckless disregard whether she is a minor described by this section, unless in reliance on what he in good faith believes to be a court order authorizing the abortion, commits a Class D felony. However, if he does so in good faith reliance on a representation that the minor is an incompetent with regard to whom the exception set forth in subsection (3) of this section, and in accordance with the usual procedures for obtaining consent for medical treatment of an incompetent, no penalty shall attach.

SECTION 6. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) The department shall cause to be published, within sixty (60) days after this Act becomes law, easily comprehensible printed materials as follows:

(a) Material designed to inform the woman of public and private agencies and services available to assist a woman through pregnancy, upon childbirth, and while the child is dependent, including adoption agencies, which shall include a comprehensive list of the agencies available, the services they offer, and a description of the manner in which they might be contacted; and

(b) Material designed to inform the woman of the probable anatomical and physiological characteristics of the fetus at the various gestational ages at which abortion might be performed, including any relevant information on the possibility of fetal survival.

(2) The materials required by subsection (1)(b) of this section shall occupy no more than four (4) sheets of eight and one-half by eleven inches (8 ½" by 11") printed in a typeface large enough to be clearly legible.

(3) Nothing in this Act shall be construed to limit the right of the physician or of any other person to express to the woman his own views concerning the validity or importance of the materials prescribed

by this section. The materials required under this section shall be available at no cost from the department upon request and in appropriate number to any person, facility, or hospital.

SECTION 7. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Any person who intentionally, knowingly, wantonly, or recklessly performs or induces an abortion when the fetus is viable commits a Class C felony. It shall be a complete defense to any charge brought against a physician for violating the requirements of this section that, in the good faith best medical judgment of the physician charged based on the particular facts of the case before him, the fetus was not viable at the time the abortion was performed or induced, or the abortion was necessary to preserve maternal life or health.

SECTION 8. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) The board shall cause an annual hearing to be held for the following purposes:

(a) To determine when and under what conditions it may normally be presumed that a fetus is viable; and

(b) To determine when and under what conditions there exists the possibility of fetal viability.

(2) The board shall find that the presumption of viability exists under those medically determinable conditions in the presence of which, in light of current medical knowledge and skill, there exists reasonable medical certainty that there is a reasonable likelihood of sustained survival of the fetus outside the body of the human female, in view of the medical technology currently available within this Commonwealth.

(3) The board shall find that the possibility of viability exists under those medically determinable conditions in the presence of which, in light of advancing medical knowledge and skill, there exists reasonable medical certainty that there is a reasonable possibility of sustained survival of the fetus outside the body of the human female, in view of medical technology currently available within this Commonwealth.

(4) The initial hearing required under this section shall be held within one hundred twenty (120) days from the time this Act becomes law, and shall be conducted annually thereafter. The board shall publish notice of the time and the place such hearings will be held in a manner reasonably calculated to provide notice to the medical profession of this Commonwealth. All relevant written and oral testimony shall be accepted and considered; the board may consider relevant data from sources other than the evidence or testimony offered at the hearing. The determinations of the board shall be based on the preponderence of evidence. Within sixty (60) days of the time this section becomes law, the board shall promulgate regulations relevant to the conduct of such hearings and may revise them thereafter as it deems appropriate. Within thirty (30) days after the hearing, the board shall publish standards for the presumption of viability and the possibility of viability in accordance with this section in a manner reasonably calculated to provide notice to the medical profession of this Commonwealth. For the purposes of subsection (5) of this section, these standards shall take effect thirty (30) days after publication.

(5) (a) Before performing any abortion subsequent to the first trimester of pregnancy, the physician shall determine, in his best medical judgment based on the particular facts of the case before him:

1. Whether the fetus meets the current standards for presumption of viability issued by the board;

2. Whether the fetus meets the current standards for possibility of viability issued by the board; and

3. Whether the fetus is viable.

The physician shall report these determinations on the form which shall be prescribed by the department under Section 9 of this Act.

(b) In every case in which the physician has determined that the presumption of fetal viability exists under subsection (5)(a) of this section, the physician who performs an abortion shall report the following information on the form which shall be prescribed by the department under Section 9 of this Act:

1. The basis for his determination that the fetus was not viable; or

2. The basis for his determination that the abortion was necessary to preserve maternal life or health.

(c) In every case in which the physician has determined that the possibility of viability exists under subsection (5)(a) of this section, the physician who terminates a pregnancy shall exercise that degree of professional care, skill and diligence to preserve, encourage, and sustain the life and the health of the fetus which the physician would be required to exercise in order to preserve the life and the health of any fetus intended to be born alive and not aborted. The physician need not employ any measures during the course of the pregnancy termination to preserve, encourage, or sustain the life or the health of the fetus which would increase medical risk to the mother.

(6) The dead fetus and all tissue removed at the time of the abortion shall be submitted for a gross and microscopic analysis and tissue report to a board eligible or certified pathologist as a matter of record in all cases after every abortion performed after the first trimester of pregnancy. The results of the analysis and the report shall be returned by the pathologist to the physician who performed the abortion and the

physician who performed the abortion shall report any complications of which the report gives evidence to this patient. The pathologist shall report any evidence of live birth, viability, or possible viability to the department on a form and within a time which the department shall prescribe under Section 9 of this Act. Intentional, knowing, wanton, or reckless failure of the physician to submit a fetus or tissue remains to a pathologist for such a purpose, or intentional, knowing, wanton, or reckless failure of the pathologist to report any evidence of live birth, viability, or possible viability to the department in the manner and within the time the department shall prescribe is a Class D felony.

(7) Failure of any physician to conform to any requirement of this section constitutes "dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud or harm the public or any member thereof" within the meaning of KRS 311.595(h). Upon a finding by the board that any physician has failed to conform to any requirement of this section, the board shall suspend that physician's license for a period of three (3) months or more. Intentional, knowing, wanton, or reckless falsification of any report required under this section is a Class A misdemeanor.

SECTION 9. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) A report of each abortion performed shall be made to the department on forms prescribed by it. Such report forms shall not identify the individual patient by name, but by an individual number to be noted in the woman's permanent record in the possession of the physician, and shall include information concerning:

(a) Identification of the physician who performed the abortion and the facility where the abortion was performed, and of the referring physician, agency, or service, if any;

(b) The legal residence of the woman and, if known, the legal residence of the father of the aborted fetus or child;

(c) The woman's date of birth, race, and marital status;

(d) The number of prior pregnancies;

(e) The date of the woman's last menstrual period, and the given gestational age of the fetus;

(f) The type of procedure performed or prescribed, and the date of the abortion;

(g) Complications, if any:

(h) The information required to be reported under Section 8(5) of this Act;

(i) The length and weight of the aborted fetus when measurable, and the pathologist's report to the physician under Section 8(6) of this Act;

(j) Basis for any medical judgment that a medical emergency existed as required by Sections 3(3), 4(2) or 5(4) of this Act;

(k) The basis for the clinical judgment that an abortion is necessary as required by Section 3(2) of this Act; and

(l) The date of the medical consultation required by Section 3(2) of this Act, the time it began, and the time it ended.

(2) Such form, designated the "original report," shall be completed by the hospital or other licensed facility, signed by the physician who performed the abortion or pregnancy termination, and transmitted to the department within fifteen (15) days after each reporting month. Attached to each such form transmitted to the department shall be a completed form designated the "redacted copy" which shall be identical in all particulars to the "original report" except that the patient identification number, the material required by Section 12(1)(a) of this Act, and the physician's name shall be omitted.

(3) The department shall prescribe a form on which pathologists may report any evidence of live birth, viability, or possible viability under Section 8(6) of this Act, and by regulation, shall set the time within which such reports shall be required. Within five (5) days after receiving any such report, the department shall transmit a copy of it to the board.

(4) (a) The department may prescribe rules and regulations regarding the administration of this Act and shall prescribe regulations to secure the confidentiality of the woman's identity in a manner which accords with the policy described in the following paragraph.

(b) All information obtained by a physician, hospital, or ambulatory health facility from a patient for the purpose of preparing reports to the department under this Act and all reports received by the department or the board under this Act shall be confidential and shall be used only for statistical purposes except to the extent necessary to secure the rights or interests of a person or the Commonwealth pursuant to a court order in civil or criminal actions or proceedings to grant, suspend, or revoke licenses. However, within fifteen (15) days after receiving any reports under Section 9(1) and (2) of this Act all redacted copies of such records shall be made available by the department to the public for inspection and reproduction during normal business hours at its principal office, and copies of all original copies of such reports shall be transmitted to the board.

(5) Upon thirty (30) days public notice, the department is empowered to require reporting of any additional information which, in the sound discretion of the department or the board, is necessary to develop

statistical data relating to the protection of maternal or fetal life or health, or is necessary to enforce the provisions of this Act, or is necessary to develop useful criteria for medical decisions. The department shall annually report to the legislature all statistical data gathered under this Act, and its recommendations to further the purpose of this Act.

SECTION 10. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Distribution of the printed information prescribed by Section 6 of this Act shall not be required by any part of this Act until the department publishes notice that such materials are initially available. Within ninety (90) days from the time this section becomes law, the department shall issue regulations pursuant to Sections 3(2) and 9 of this Act and Sections 3(2) and 9 shall not take effect until such regulations are issued. The department shall make available the forms required under Section 9 of this Act within ninety (90) days of the time this Act becomes law. No requirement that any person report information to the department shall become effective until the department has made available the forms required under Section 9 of this Act. All other provisions of this Act shall take effect immediately upon enactment, unless it otherwise provides.

Section 11. KRS 311.597 is amended to read as follows:

As used in KRS 311.595(h), "dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud or harm the public or any member thereof" shall include, but not be limited to the following acts by a licensee:

(1) Prescribes or dispenses any "controlled substance" as defined in KRS 218A.010(2):

(a) With the intent or knowledge that a controlled substance will be used or is likely to be used other than medicinally or for an accepted therapeutic purpose,

(b) With the intent to evade any law with respect to sale, use or disposition of such controlled substance(s),

(c) For the licensee's personal use or for the use of his immediate family when the licensee knows or has reason to know that an abuse of controlled substance(s) is occurring, or may result from such a practice, or

(d) In such amounts that the licensee knows or has reason to know, under the attendant circumstances, that said amounts so prescribed or dispensed are excessive under accepted and prevailing medical practice standards.

(2) Issues or publishes in any manner whatsoever, representations in which grossly improbable or extravagant statements are made which have a tendency to deceive or defraud the public, or a member thereof, including, but not limited to:

(a) Any representation in which the licensee claims that he can cure or treat manifestly incurable diseases, ailments or infirmities by any method, procedure, treatment or medicine which the licensee knows or has reason to know has little or no therapeutic value;

(b) Represents or professes or holds himself out as being able and willing to treat diseases, ailments or infirmities under a system or school of practice:

1. Other than that for which he holds a certificate or license granted by the board, or

2. Other than that for which he holds a degree or diploma from a school otherwise recognized as accredited by the board, or

3. Under a school or system which he professes to be self-taught.

(3) A serious act, or a pattern of acts committed during the course of his medical practice which, under the attendant circumstances, would be deemed to be gross incompetence, gross ignorance, gross negligence or malpractice.

(4) Conduct which is calculated or has the effect of bringing the medical profession into disrepute, including, but not limited to any departure from, or failure to conform to the standards of acceptable and prevailing medical practice within the Commonwealth of Kentucky, and any departure from, or failure to conform to the principles of medical ethics of the American medical association or the code of ethics of the American osteopathic association. For the purposes of this subsection, actual injury to a patient need not be established.

(5) Failure by a licensee to report a known or observed violation of KRS Chapter 311 by another licensee as described in KRS 311.606.

(6) Failure of any physician to conform to any requirement of Section 8 of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 212 IS CREATED TO READ AS FOLLOWS:

(1) A physician who desires to perform a sterilization on a minor shall cause a written petition to be filed in the circuit court of the judicial circuit in which the minor resides, in which the applicant resides, or in which the sterilization is to be performed. The court shall expeditiously schedule a hearing during which the judge shall make such inquiries as in his discretion seem appropriate to determine that the minor desires sterilization and to ensure that his consent to the sterilization is voluntary, informed, and not the

result of coercion. These inquires shall include, but shall not be limited to, a private interview from which his physician and his parents, if present, shall be excluded. The judge shall sign the consent form if the minor's consent is voluntary, informed, and not the result of coercion. If the judge finds that the minor does not voluntarily consent to the sterilization, the judge may fashion such orders within his equitable powers as he deems necessary and appropriate to protect the minor from neglect or abuse as a result of her failure to consent to a sterilization. Under no circumstances shall the judge order or permit a minor to be sterilized against his will or preclude him from altering his decision between the time of the order permitting a sterilization and the sterilization.

(2) KRS 212.345(2) shall not apply in the case of a minor who has been adjudged incompetent under KRS Chapter 203 in which case KRS 212.345(3) shall apply. But if the incompetent, under KRS 203.022(5), has not been disabled from giving and refusing consent to medical treatment, KRS 212.345(2) shall apply.

SECTION 13. A NEW SECTION OF KRS CHAPTER 212 IS CREATED TO READ AS FOLLOWS:

KRS 212.343 to 212.347 shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency.

Section 14. KRS 212.341 is amended to read as follows:

As used in KRS 212.343 to 212.347, unless the text requires otherwise:

[(1)] "Sterilization" shall mean any procedure or operation, the purpose of which is to render an individual permanently incapable of reproducing.

[(2) "Nontherapeutic sterilization" shall mean any procedure or operation, the purpose of which is to render an individual permanently incapable of reproducing and which is not either:

(a) A necessary part of the treatment of an existing physical illness or injury, or

(b) Medically indicated as an accompaniment of an operation on the female genitourinary tract.]

Section 15. KRS 212.343 is amended to read as follows:

Any physician who is requested to perform a [nontherapeutic] sterilization shall provide counseling to the person who requests the sterilization.

Section 16. KRS 212.345 is amended to read as follows:

Before any person in the commonwealth may have a [nontherapeutic] sterilization performed upon himself, he shall give written informed consent to the performance of the sterilization. To be valid such consent document shall be endorsed by the following persons in the following instances:

(1) By the consenting individual in all cases;

(2) By the adult parent or guardian of the consenting individual if such be a minor child and unmarried;

(3) By the committee of the consenting individual if such be an incompetent person *and, if such be a minor child, by a judge of the circuit court.*

Section 17. KRS 212.347 is amended to read as follows:

No physician shall perform a [nontherapeutic] sterilization on any person before twenty-four (24) hours following the giving of written informed consent by the person requesting such sterilization.

Section 18. KRS 311.990 is amended to read as follows:

(1) Any person who violates KRS 311.250 shall be fined fifty dollars ($50) for the first offense and one hundred dollars ($100) for each subsequent offense.

(2) Any college or professor thereof violating the provisions of KRS 311.300 to 311.350 shall be civilly liable on his bond for a sum not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) for each violation, which may be recovered by an action in the name of the Commonwealth.

(3) Any person who presents to the county clerk for the purpose of registration any license which has been fraudulently obtained, or obtains any license under KRS 311.380 to 311.510 by false or fraudulent statement or representation, or practices podiatry under a false or assumed name or falsely impersonates another practitioner or former practitioner of a like or different name, or aids and abets any person in the practice of podiatry within the state without conforming to the requirements of KRS 311.380 to 311.510, or otherwise violates or neglects to comply with any of the provisions of KRS 311.380 to 311.510, shall be fined not less than two hundred and fifty dollars ($250) nor more than five thousand dollars ($5,000) or imprisoned in the county jail for not less than three (3) months nor more than twelve (12) months, or both so fined and imprisoned. Each case of practicing podiatry in violation of the provisions of KRS 311.380 to 311.510 shall be considered a separate offense.

(4) Each first violation of KRS 311.560 shall be punishable by a fine of not less than two hundred and fifty ($250) nor more than five thousand dollars ($5,000) or by imprisonment for not less than one (1) month nor more than twelve (12) months, or both. Each subsequent violation of KRS 311.560 shall constitute a felony and be punishable by a fine of not less than one thousand ($1,000) nor more than ten thousand dollars ($10,000) or by imprisonment in a penitentiary for not less than one (1) nor more than three (3) years, or both.

(5) Each violation of KRS 311.590 shall constitute a felony and shall be punishable by a fine of not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000) or by imprisonment

in a penitentiary for not less than one (1) nor more than three (3) years. Conviction, under this subsection, of a holder of a license or permit, shall result automatically in permanent revocation of such license or permit.

(6) Conviction of wilfully resisting, preventing, impeding, obstructing, threatening or interfering with the board or any of its members, or of any officer, agent, inspector or investigator of the board or the department for human resources, in the administration of any of the provisions of KRS 311.550 to 311.620 shall be punishable by a fine of not more than one thousand dollars ($1,000), or by imprisonment for not more than six (6) months, or both.

(7) Each violation of subsection (1) of KRS 311.375 shall, for the first offense, be punishable by a fine of not less than fifty dollars ($50) nor more than three hundred dollars ($300) or by imprisonment for not more than thirty (30) days or both, and, for each subsequent offense, by a fine of not less than three hundred dollars ($300) nor more than one thousand dollars ($1,000) or by imprisonment for not more than one (1) year, or both.

(8) Each violation of subsection (2) of KRS 311.375 shall, for the first offense, be punishable by a fine of not more than one hundred dollars ($100) or by imprisonment for not more than thirty (30) days, or both, and, for each subsequent offense, by a fine of not less than one hundred dollars ($100) nor more than two hundred and fifty dollars ($250) or by imprisonment for not more than ninety (90) days or both.

(9) Each day of violation of either subsection of KRS 311.375 shall constitute a separate offense.

(10) Conviction of wilfully resisting, preventing, impeding, obstructing, threatening or interfering with the board or any of its members, or of any officer, agent, inspector or investigator of the board in the administration of any of the provisions of KRS 311.550 to 311.620 shall be punishable by a fine of not more than one thousand dollars ($1,000) or by imprisonment for not more than six (6) months, or both.

(11) [Any physician who fails to comply with the provisions of KRS 311.730, upon conviction thereof shall be fined not more than five hundred dollars ($500).

(12) Failure to procure the informed consent of those required to give their consent pursuant to KRS 311.740, prior to performing an abortion shall be punishable by imprisonment in the county jail not to exceed one (1) year or a fine not to exceed one thousand dollars ($1,000), or both.

(13) Any person convicted of violating KRS 311.750 shall be imprisoned in the penitentiary for a term of not less than ten (10) nor more than twenty (20) years.

(14) Any person who violates KRS 311.760(2), 311.770 or 311.780 shall be imprisoned for a term not to exceed two (2) years or fined not more than five thousand dollars ($5,000), or both.

(15) A person convicted of violating KRS 311.780 shall be imprisoned in the penitentiary for not less than two (2) nor more than twenty-one (21) years.

(16)] Any person who violates KRS 311.810 shall be imprisoned in the county jail for a term not to exceed twelve (12) months or fined a sum not to exceed one thousand dollars ($1,000), or both.

(12)[(17)] Any professional medical association or society, licensed physician, or hospital or hospital medical staff who shall have violated the provisions of KRS 311.606, shall be fined not less than one hundred dollars ($100), nor more than five hundred dollars ($500) for each failure to so report as described in KRS 311.606.

(13)[(18)] Any person who violates KRS 311.652 or any rule or regulation of the board of medical licensure adopted pursuant to KRS 311.654 shall be guilty of a Class A misdemeanor.

(14)[(19)] Any person who violates KRS 311.914 shall be guilty of a misdemeanor and on conviction shall be punished by a fine of not less than twenty-five dollars ($25) nor more than two hundred dollars ($200).

Section 19. KRS 211.027 is amended to read as follows:

The department for human resources shall promulgate reasonable rules and regulations to effectuate the purposes of KRS *311.790* [213.055 and 311.710] to 311.810, which shall be submitted to the legislative research commission in a manner prescribed in KRS chapter 13; the legislative research commission shall refer said rules and regulations to the interim committee on health and welfare for the purpose of approval or disapproval.

Section 20. KRS 213.990 is amended to read as follows:

(1) Any physician in medical attendance upon any deceased person at the time of death who neglects or refuses, on request, to make out and deliver to the undertaker, sexton or other person in charge of the disposition of the body the medical certificate of cause of death shall be fined not less than five dollars ($5) nor more than fifty dollars ($50).

(2) Repeated failure to report births and deaths shall be sufficient cause for the revocation of a physician's certificate to practice medicine in this state.

(3) Any physician who knowingly makes a false certification of the cause of death in any case shall be fined not less than fifty dollars ($50) nor more than two hundred dollars ($200).

(4) Any person who fails to comply with the provisions of subsection (1) or (2) of KRS 213.050 shall be fined not less than five dollars ($5) nor more than fifty dollars ($50).

(5) Any undertaker, sexton or other person acting as undertaker who inters, removes or otherwise disposes of the body of any deceased person without the required burial or removal permit shall be fined not less than twenty dollars ($20) nor more than one hundred dollars ($100).

(6) Any registrar or deputy registrar who neglects or fails to enforce the provisions of this chapter in his district, or neglects or refuses to perform any of the duties imposed upon him by this chapter or by the instructions and directions of the division of vital statistics, shall be fined not less than ten dollars ($10) nor more than one hundred dollars ($100). In addition, any local registrar who fails to perform efficiently the duties of his office shall forthwith be removed from office by the county health officer.

(7) Any person who wilfully alters any certificate of birth or death, or the copy of any certificate of birth or death, on file in the office of the local registrar, shall be fined not less than ten dollars ($10) nor more than one hundred dollars ($100) or be imprisoned in the county jail not more than sixty (60) days, or both.

(8) Any person who violates any of the provisions of this chapter or who wilfully neglects or refuses to perform any duties imposed upon him by the provisions of this chapter for which no specific penalty is provided, or who furnishes false information to a physician, undertaker, midwife or informant for the purpose of making an incorrect certification of birth or death, shall be fined not less than five dollars ($5) nor more than one hundred dollars ($100).

(9) Any transportation company or common carrier that transports or carries, or accepts for transportation or carriage, the body of any deceased person without an accompanying removal or transit permit, shall be fined not less than fifty dollars ($50) nor more than two hundred dollars ($200). In case the death occurred outside the state, and the body is accompanied by a certificate of death, or a burial, removal or transit permit issued in accordance with the law or health regulations in force where the death occurred, such death certificate, or burial, removal or transit permit will authorize the transportation or carriage of the body into or through this state.

(10) Any person who violates KRS 213.125 shall be fined not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000) or imprisoned in the county jail for not less than thirty (30) days nor more than one (1) year, or both.

[(11) Any physician who fails to comply with the procedures outlined in KRS 213.055 shall be fined an amount not to exceed five hundred dollars ($500).]

SECTION 21. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Sections 1 to 11 of this Act may be cited as follows: "Kentucky Abortion Act of 1980."

SECTION 22. The following KRS sections are repealed:

311.710	Legislative findings.
311.720	Definitions.
311.730	Counseling by physician required prior to performance of abortion.
311.740	Consent requirements.
311.750	Performance by other than licensed physician prohibited.
311.770	Restriction on use of saline method.
311.780	Prohibition of abortion after viability — Exceptions.
436.023	Waiting period required between consent to and performance of abortion.

The Committee Amendment No. 1 to the Committee Substitute to **HB 927** is as follows:

Amend printed copy of Committee Substitute for **HB 927,** page 17, lines 17 through 19, by deleting subsection (b) in its entirety and relettering subsections *(c), (d), (e), (f), (g), (h), (i), (j), (k),* and *(l)* accordingly as *(b), (c), (d), (e), (f), (g), (h), (i), (j), (k)*

and on line 20, by deleting the word "*date*" and inserting in lieu thereof the word "*year*"

HR 96, A RESOLUTION requesting a study of the need for and feasibility of establishing an emergency medical center in northeast Fayette County.

WHEREAS, time is of the essence in the treatment of medical emergencies; and

WHEREAS, the distance to an emergency medical facility may be a matter of life or death; and

WHEREAS, a serious medical problem exists for residents of northeast Fayette County due to the lack of an emergency medical facility in the area; and

WHEREAS, this serious medical problem is further aggravated by traffic congestion and lack of adequate transportation arteries to existing emergency facilities on the south side of Lexington;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the East Kentucky Health System Agency be requested to conduct a need and feasibility study addressed to the establishment of an emergency facility in the northeast section of Fayette County.

Section 2. That the Department for Human Resources, the University of Louisville School of Medicine, and the University of Kentucky College of Medicine shall cooperate with the East Kentucky Health Systems Agency in the conduct of such study.

Section 3. That the study address, in addition to the need and feasibility of an emergency medical facility in the northeast section of Fayette County, areas of: accessibility to emergency medical care in northeast Fayette County; funding sources available for establishing an emergency medical facility including initial construction monies, start-up monies and continuing operating funds; and staffing patterns appropriate for such a facility including the utilization of medical residents from the state's medical schools.

Section 4. That the study shall be commenced by August 15, 1980, with preliminary findings of the study to be reported to the appropriate interim joint committee by March 15, 1981, the completed findings of the study to be reported to the appropriate interim joint committee by September 15, 1981, and that the final study be delivered to the Legislative Research Commission at its November, 1981, regular meeting and to the 1982 General Assembly.

SB 66, AN ACT relating to emergency medical services.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Ambulance" means any vehicles, including a helicopter or fixed wing aircraft, except vehicles or aircraft operated by the United States government, that are specially designed, constructed or that have been modified or equipped with the intent of using the same, for the purpose of transporting any individual who is sick, injured, or otherwise incapacitated.

(2) "Ambulance provider" means any individual or private or public organization, except the United States government, having a vehicle or vehicles, including helicopters or fixed wing aircraft, with the intent of using the same, for the provision of health care and transportation or transportation alone to any individual who is sick, injured, or otherwise incapacitated.

(3) "Emergency medical services" means the services utilized in responding to the perceived individual need for immediate medical care to protect against loss of life, or aggravation of physiological or psychological illness or injury.

(4) "Regional emergency medical services system" means a system which provides for the arrangement of personnel, facilities, equipment, or any of the above, for the effective and coordinated delivery of health care services in an appropriate geographical area.

SECTION 2. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

The department for human resources shall maintain a program for the planning, development, improvement, and expansion of emergency medical services throughout the state utilizing, among other factors, the system components described in public law 93-154 (emergency medical services systems act of 1973). This program shall include but need not be limited to:

(1) Delineation, by administrative order of the secretary, of the geographic boundaries of regional emergency medical services systems.

(2) Promulgation of administrative regulations providing for:

(a) Administration of regional emergency medical services systems;

(b) Composition of regional emergency medical services systems boards;

(c) Terms of office of regional emergency medical services system board members;

(d) Appointment of regional emergency medical services system board members; and

(e) Such other administrative matters relating to the operation of regional emergency medical services systems as may be necessary.

(3) Designation of regional emergency medical services system corporations as management authority for a regional emergency medical services system, upon due consideration of applications for such designation.

(4) Provision of technical assistance to regional emergency medical services systems boards, units of local government, and others in planning for the development, coordination, and monitoring of emergency medical services or the provisions of emergency medical services by the board or by others.

(5) Issuance of a format for the application for the development of regional emergency medical services plans to be used to determine methods of appropriation and allocation of funds for emergency medical services programs, personnel, and equipment.

(6) Application for, receipt of, and disposition of federal, state, or private funds by grant, appropriation, donation, or otherwise for emergency medical services programs, personnel and equipment.

(7) Awarding of funds to regional emergency medical services systems to implement specific objective delineated in regional emergency medical services system plans, including but not limited to, assistance to local governments for their provision of ambulance service; and

(8) Development, monitoring, operation, and encouragement of such other projects and programs which may be of benefit to emergency medical services in the Commonwealth.

SECTION 3. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

A matching fund program is hereby created for the purpose of assisting local ambulance providers in the purchases of ambulances and equipment. The fund shall consist of such moneys as may be appropriated by the general assembly or may be obtained from other sources for the fund as provided in this Act:

(1) Application and justification of need for moneys from the fund shall be based upon the state emergency medical services plan's priorities;

(2) Application for moneys from the fund may be made to the department for human resources by any city or county with the assistance of the applicable emergency medical services system based upon guidelines established by the department for human resources.

(3) Moneys from the fund will be provided on a fifty percent (50%) state and fifty percent (50%) local funds matching basis for any ambulance or other item of equipment desired to be procured. No county, including all grants to cities within the county, shall receive more than twelve thousand five hundred dollars ($12,500) from the fund per year;

(4) No funds awarded pursuant to this section shall be used for any other purpose than the purpose for which they were awarded. Funds remaining unexpended one year from the date of the award shall lapse and shall be returned to the fund by the recipient city or county;

(5) Funding periods shall coincide with the fiscal year as established by the department for human resources;

(6) Each ambulance or item of equipment purchased shall meet or exceed, if a standard has been set for the particular item of equipment, the standards set by the department for human resources.

SECTION 4. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

A matching fund program is hereby created for the purpose of assisting city and county governments in providing for an adequate number of trained emergency medical service personnel in those cities or counties where other personnel funding resources are unavailable or inadequate and where expenditures for ambulance services exceed five percent (5%) of the city or county general fund budget:

(1) Monies from the fund may be provided to a city or county government for emergency medical services personnel only:

(a) When the number of personnel operating the ambulance service is consistent with the state emergency medical services plan; and

(b) When the revenue of the city or county (as appropriate), including ambulance service district tax revenue and other income is insufficient to meet the personnel needs of the ambulance service; and

(c) When the provision of ambulance service meeting the personnel guidelines would require more than five percent (5%) of the general fund budget of the city or county.

(2) Moneys from the fund shall be used solely to match expenditures which exceed the five percent (5%) limit and may not be used to supplement expenditures below the five percent (5%) limit.

(3) If the city or county enacts an ambulance service district tax as provided for in KRS Chapter 108 then the revenues raised by that tax may be used as a set-off against the five percent (5%) of the general fund requirement on a one for one direct reduction basis. Thus, if the ambulance service district tax raises revenues equalling one percent (1%) of the general fund budget then the amount necessary from the general fund budget shall be four percent (4%) and so forth up to the required limit of five percent (5%).

(4) Application for money from the fund may be made to the department for human resources by any city or county with the assistance of the regional emergency medical service system.

(5) Moneys from the fund will be provided on a fifty percent (50%) state and fifty percent (50%) local funds matching basis for emergency medical services personnel salaries. Local match shall be in money and in-kind matching is prohibited. No county, including all grants to cities within the county, shall receive more than forty thousand dollars ($40,000) from the fund per year.

(6) No funds awarded pursuant to this section shall be used for any other purpose than the purpose for which they were awarded. When the actual expenditures from the city or county general fund budget for ambulance service do not meet or exceed five percent (5%) of the general fund budget of the city or county for that year, then the matching money shall be refunded to the department for human resources. Funds remaining unexpended one (1) year from the date of the award shall lapse and shall be returned to the fund by the city or county.

(7) Funding periods shall coincide with the fiscal year as established by the department for human resources.

SECTION 5. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

In any city or county where at least fifty percent (50%) of ambulance personnel are volunteers or in which at least fifty percent (50%) of the ambulance services are operated by volunteers the city or county may elect to apply up to forty thousand dollars ($40,000) of the amount for which they are eligible under Section 4 of this Act to increase the amount of money available for purposes of Section 3 of this Act.

Section 6. KRS 216.425 is amended to read as follows:

(1) There is hereby created the Kentucky health facilities and health services certificate of need and licensure board consisting of sixteen (16) members, to be appointed by the governor, for the purpose of carrying out KRS 216.405 to 216.485. The board shall be appointed as follows: two (2) members from the Kentucky hospital association, two (2) members from the Kentucky medical association, two (2) members from the Kentucky nursing home association, one (1) member from the Kentucky nurses association, one (1) member from the Kentucky dental association, one (1) member from the Kentucky pharmaceutical association, and four (4) members who are consumers with an interest in education, rehabilitation, mental health, home care programs, or ambulatory care services and three (3) members who are consumers not associated with any health facilities or delivery of health services. The aforesaid associations shall nominate three (3) persons for each appointment to be made. The comprehensive health planning council shall nominate three (3) persons for each of the consumer positions. The governor shall appoint a chairman from the consumer members of the board. Members of the board shall serve for a term of four (4) years, except that the first appointments shall be made as follows: three (3) for a term of one (1) year; four (4), a term of two (2) years; four (4), a term of three (3) years; and four (4), a term of four (4) years. In event of a vacancy the person appointed shall serve only for the remaining portion of the vacated term. All members shall serve until such time as their successors are qualified and appointed. The secretary for human resources shall serve in an advisory capacity to the board.

(2) Board members shall receive sixty-five dollars ($65) per day for each day spent in active board duty and shall be reimbursed for allowable expenses for each day spent in active board duty.

(3) The board shall have authority to promulgate administrative regulations, to be filed with the legislative research commission as provided in KRS chapter 13 and do any other acts necessary to administer KRS 216.405 to 216.485.

(4) The board shall have three (3) separate and distinct functions:

(a) To issue certificates of need in accordance with the provisions of KRS 216.405 to 216.485.

(b) To issue licenses, regulate and inspect health facilities and health services. Any construction code standards which may be promulgated by regulations shall conform to, or in the case of special hazards exceed, the uniform state building code, and plan reviews for conformance with such code prior to construction shall be conducted only by the department of housing, buildings and construction. These provisions shall not limit the board from conducting other necessary reviews prior to approval for construction.

(c) To enforce, through legal actions on its own motion, the provisions of such certificates, licenses and regulations.

(5) The board shall develop, establish, enforce and may repeal standards, rules and regulations for the care, health, safety, welfare, and comfort of patients in health facilities and health services covered by KRS 216.405 to 216.485 and for the maintenance and operation of health facilities and health services which shall be designed to insure that the quality of care offered by the facility or service is satisfactory and that the facility or service receives a license appropriate to its function. This shall include but not be limited to the classification and categorization of health facilities and health services according to character, size, range of services provided, type and level of care required. Further, the board shall develop and enforce standards relative to each classification or category of health facilities and health services which must be met in order to receive a license to operate and maintain health facilities and health services.

(6) The board shall adopt, establish and enforce criteria and procedures as developed by the state health planning council for determining the need for construction, expansion or implementation of health facilities and services.

(7) Members of the board, or its representatives, are hereby authorized to enter upon the premises of any health facility or health service as covered by KRS 216.405 to 216.485, for the purpose of inspection, at any reasonable time.

(8) The composition of the board and the rules and regulations thereof shall conform to any federal law or regulation pertaining to the licensing of health facilities.

(9) The board may appoint such technical advisory committees as are deemed necessary to administer the provisions of KRS 216.405 to 216.485.

(10) *The board shall promulgate appropriate regulations which allow for and govern non-emergency ambulance transportation services. Non-emergency ambulance transportation services means health care transportation which can reasonably be provided on a routine scheduled basis of any individual who is not expected to require emergency medical treatment during transit.*

(11) The board may, by regulation, prescribe and collect reasonable fees and charges for processing applications for certificate of need and licensure. All fees and charges collected under the provisions of KRS 216.405 to 216.485 shall be paid to the state treasurer and credited to a trust and agency account to be used in the administration of KRS 216.405 to 216.485.

(12)[(11)] The board shall coordinate the requirements of all other state agencies which may have regulatory power over health facilities and health services covered by KRS 216.405 to 216.485 in such manner that the applicant is assured of having met the requirements of the other agencies when issued a license by this board.

Section 7. KRS 65.710 is amended to read as follows:

In order to enable cities and counties to fulfill their obligations regarding the public health, safety, and welfare the general assembly does hereby allow cities and counties to contract with private persons, partnerships, or corporations for providing ambulance service to the residents of such cities and counties subject to the following conditions:

(1) All such contracts must be in writing and must be approved by the city council or board of aldermen if a city is party thereto, or by the fiscal court in case a county is party thereto.

(2) No contract shall be made with an ambulance service or other organization or person unless such contract shall stipulate that *at least one (1) person on each ambulance run shall possess currently valid emergency medical technician certification* [all persons operating the ambulance vehicles shall possess currently valid American Red Cross standard and advanced training certification and are at least twenty (20) years of age].

(3) All contracts made with any ambulance service or other organization or person shall stipulate that all vehicles used for operation of the service *comply with vehicle and equipment regulations issued by the department for human resources* [be not more than five (5) years old and that all vehicles used for operation of the service shall be equipped with such equipment as may then be listed on the minimum equipment list of the Committee on Trauma of the American College of Surgeons].

(4) All contracts shall include the stipulation that at least two (2) trained persons, one (1) driver and one (1) attendant, shall be carried on each ambulance for each ambulance call which is covered by such contract.

(5) No contract shall be made for a period of time greater than one (1) year.

(6) The vehicle, equipment, training, and personnel requirements of subsections (2), (3), and (4) of this section shall also apply to the operation of an ambulance service by a city or a county or by a city and a county jointly.

(7) No provisions of this section shall be construed as to limit the power of any city or county to contract for or operate ambulance services under requirements which are stricter than those of this section, or to require insurance, or bonding of contractors, provided such provisions are not in conflict with the requirements of this section.

SECTION 8. A NEW SECTION OF KRS 108.080 to 108.180 IS CREATED TO READ AS FOLLOWS:

(1) It is the intent of this section to create an alternative means of creating an ambulance service district in any city or county of the Commonwealth which has not heretofore created the same.

(2) In all counties where a county or city-county ambulance service has not been established pursuant to KRS 108.080 to 108.180, an ambulance service district may be created in accordance with the provisions of this section.

(3) The fiscal court or local legislative body, may by ordinance, create an ambulance service district and an ambulance service district tax in such amount as deemed sufficient, but not in excess of ten cents ($.10) per one hundred dollars ($100) of full assessed valuation.

(4) The ambulance service district tax shall be collected in the same manner as provided in KRS 108.080 to 108.180 and shall be used solely for the maintenance and operation of the city, county, city-county, or district ambulance service.

(5) Other matters with regard to the operation and management of the ambulance service district shall be in accordance with the provisions of KRS 108.080 to 108.180 insofar as they do not conflict with the provisions of this section.

(6) Nothing in this section shall be construed as to abridge the rights of two (2) or more cities, counties or cities in those counties from establishing a joint ambulance service district as provided in KRS 108.080 to 108.180.

Section 9. KRS 108.100 is amended to read as follows:

Except as provided in Section 8 of this Act, districts shall be organized in the following manner:

(1) Upon the filing of a certified petition of one hundred (100) or more qualified voters in each *city or* county to be included within the territorial limits of the proposed district or upon the determination of each fiscal court *or city legislative body* in the proposed district that the establishment of a district is in the best interests of the inhabitants of the county, the fiscal court of each county *or city legislative body* in the proposed district shall adopt a resolution submitting to the qualified voters of the *city or* county the question as to whether an emergency ambulance service district should be established for the area and a special ad valorem tax imposed for the maintenance and operation of the district, not to exceed ten cents ($.10) on each one hundred dollars ($100) of the assessed valuation of all property in the district. A certified copy of the resolution of the fiscal court *or city legislative body* shall be filed with the county clerk at least sixty (60) days prior to the next regular election and thereupon the clerk shall cause the question to be placed on the ballot.

(2) The question shall be in substantially the following form: "Are you in favor of establishing an emergency ambulance service district for (insert names of *cities or* counties) which shall have the authority to impose a special ad valorem tax of (insert exact amount) on each one hundred dollars ($100) worth of property assessed for local taxation in the district for the maintenance and operation of the (insert name) emergency ambulance service district?"

(3) If a majority of those voting in each *city or* county on the question favor the establishment of an emergency ambulance service district it shall be so established and shall constitute and be a taxing district within the meaning of Section 157 of the constitution of Kentucky. The cost of the election shall be paid by the fiscal court *or city legislative body (as appropriate)*.

(4) All special ad valorem taxes authorized by KRS 108.080 to 108.180 shall be collected in the same manner as are other county ad valorem taxes in each county affected and shall be turned over to the board of directors as the governing body of the district. The special ad valorem tax shall be in addition to all other ad valorem taxes. The sheriff shall be entitled to a fee of one percent (1%) of the amount of the tax collected by him.

Section 10. KRS 108.090 is amended to read as follows:

For the purpose of enabling *cities or* counties to provide emergency ambulance service to assure public safety and welfare the general assembly does hereby allow all of the territory coterminous with the boundaries of a *city or* county, or coterminous with the boundaries of two (2) or more *cities or* counties contiguous to each other, to be organized into an emergency ambulance service district for the purpose of financing and administering emergency ambulance service for the residents of the district.

Section 11. KRS 108.110 is amended to read as follows:

(1) The affairs of the district shall be controlled and managed by a board of directors appointed by fiscal courts and city legislative bodies in the following manner:

(a) If the district consists of one (1) county, three (3) members shall be appointed to the board by the fiscal court of the county, *and if the district consists of one (1) city, three (3) members shall be appointed to the board by the city legislative body*;

(b) If the district consists of two (2) counties, the fiscal court of the county having the greater portion of the population of the district shall appoint two (2) directors and the fiscal court of the other county shall appoint the third director;

(c) If the district consists of more than two counties, the fiscal court of the county having the greatest portion of the population of the district shall appoint two (2) directors and the fiscal court of the remaining counties comprising the district shall each appoint one (1) director, *and if the district consists of two (2) cities, the legislative body of the city having the greatest portion of the population of the district shall appoint two (2) directors and the legislative body of the other city shall appoint the remaining director*;

(d) The legislative body of each city of the first three classes, or if there is no such class of city, the city of the highest class located within each county in the district shall appoint one (1) additional director.

(2) Each board member shall reside within the district and within the county or city of which he was appointed to represent.

(3) The board of directors shall be appointed by the appropriate legislative body within thirty (30) days after the establishment of the district. The terms of office of the directors first appointed shall expire on the first Monday in January of the even numbered year next following their appointment. Thereafter, directors shall be appointed for terms of two (2) years each, expiring on the first Monday in January of the next even numbered year or until their successors are appointed. Any vacancies shall be filled by the appointing authority for the unexpired term.

(4) A majority of the membership of the board shall constitute a quorum.

Section 12. KRS 108.160 is amended to read as follows:

Single *city or* county districts may be dissolved in the following manner:

(1) Upon the filing of a certified petition of one hundred (100) or more qualified voters in the district or upon the determination of the fiscal court that the abolishment of the district is in the best interest of the inhabitants of the county, the fiscal court *or city legislative body (as appropriate)* shall adopt a resolution submitting to the qualified voters of the county as to whether the district should be dissolved and the imposition of the special ad valorem tax discontinued. A certified copy of the resolution of the fiscal court *or city legislative body (as appropriate)* shall be filed with the county clerk at least sixty (60) days prior to the next regular election and thereupon the clerk shall cause the question to be placed on the ballot.

(2) The question on the ballot shall be in substantially the following form: "Are you in favor of dissolving the emergency ambulance service district for (insert name of *city or* county) and discontinuing the special ad valorem tax that is imposed for the maintenance and operation of the district?"

(3) If a majority of those voting on the question favor dissolving the district and discontinuing the imposition of the special ad valorem tax the county clerk shall remove the levy of the special ad valorem tax from the tax bills of the property owners of the district and the district shall be dissolved by order of the fiscal court *or the city legislative body.*

(4) A resolution for the dissolution of the district shall not be considered to have any legal effect if contractual obligations assumed prior to the time of the passage of the resolution by the board have not been met.

Section 13. KRS 108.170 is amended to read as follows:

Multi-county *or multi-city* districts may be dissolved when each member county follows procedures defined in KRS 108.160.

Section 14. KRS 108.180 is amended to read as follows:

Any member *city or* county of the district may withdraw its membership after following the procedures defined in subsections (1), (2), and (3) of KRS 108.160. The district shall continue to function after such withdrawals, with its boundaries consisting of the remaining county members. No *city or* county may withdraw from any district unless it satisfies its part of all contractual obligations assumed by the district prior to the passage of its resolution to the satisfaction of the board.

Section 15. (1) There is appropriated to the department for human resources from the general fund of the Commonwealth of Kentucky one million three hundred fifty thousand dollars ($1,350,000) in fiscal year 1980-81 and one million three hundred fifty thousand dollars ($1,350,000) in fiscal year 1981-82 to implement the provisions of this Act.

(2) Of the general fund moneys appropriated in subsection (1) of this section no more than three hundred fifty thousand dollars ($350,000) in fiscal year 1980-81 and five hundred thousand dollars ($500,000) in fiscal year 1981-82 shall be designated for the matching fund provided in Section 3 of this Act for purchases of ambulances and equipment.

SCR 23, A CONCURRENT RESOLUTION urging the Kentucky Voluntary Effort Health Care Cost Containment to share pertinent information which has an impact on health care and its cost to the citizens of the Commonwealth with state agencies and committees of the General Assembly when considering proposed legislation and regulations.

WHEREAS, the National Voluntary Effort for Health Cost Containment was established in 1977 with the goal of slowing the rate of increase in health care costs; and

WHEREAS, the National Voluntary Effort has directly affected an estimated savings of 2.88 billion health care dollars since its founding, even in the fact of an overwhelming inflation rate to the extent that in 1979 the rate of health care costs increase was less than the Consumer Price Index; and

WHEREAS, the Kentucky Voluntary Effort Health Care Cost Containment has been established in the Commonwealth and is comprised of consumers, to include labor and industry, as well as representatives of the health care industry; and

WHEREAS, the goal of the Kentucky Voluntary Effort is a reduction in the rate of increase in health care cost in Kentucky to the lowest possible level consistent with sound medical practice; and

WHEREAS, the National and State Voluntary Effort Committees have adopted ten goals for 1980 and beyond which demonstrate their concern and are worthy of our recognition; and

WHEREAS, health care legislation, regulations and administrative procedures have in many instances contributed adversely to rising health care costs; and

WHEREAS, it is the desire of the Kentucky Voluntary Effort to avail its services to members of the Kentucky General Assembly on legislative proposals which, if enacted, would impact on the cost of health care in the Commonwealth;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Kentucky General Assembly recognizes the efforts and goals of the Kentucky Voluntary Effort Committee in containing the rise in health care cost in Kentucky.

Section 2. That the Kentucky General Assembly urges the Kentucky Voluntary Effort to share pertinent information which has an impact on health care and its cost to the citizens of the Commonwealth with state agencies and committees of the General Assembly when considering proposed legislation and regulations.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Natural Resources and Environment: **HR 126.**

Transportation: **SB 298.**

Energy: **SB 389, HR 115.**

State Government: **SB 152, SB 364, HB 889.**

Business Organizations and Professions: **HB 594.**

Banking and Insurance: **SB 357, SB 270.**

Cities: **SB 321.**

Report of Committees

The Committee on Rules reported **HB 592, HB 249, HB 426, HB 817, SB 25, SB 201, SB 247, SB 280, HB 445, HB 559, HB 573, HB 974, HCR 84, HCR 108, HR 117, HJR 121, HB 374, HB 793,** and **HR 21** have been posted for passage in Orders of the Day, March 24, 1980.

The Committee on Rules reported **HCR 118** has been posted for passage in Consent Orders of the Day, March 24, 1980.

Motions, Petitions, and Communications

The following meetings were announced:

Natural Resources and Environment: Monday, at first recess, Room 224.

Health and Welfare: Monday, 9:00 a.m., State Reception Room.

Cities: Cancelled today.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 4 to the Committee Substitute to **HB 973,** by Representative Dunn:

Amend printed copy of Committee Substitute to **HB 973,** page 21, line 3, by inserting a period after the word "years" and inserting brackets before the word "and" on line 3 and after the remainder through line 6.

After the word "such money for a period of five (5) years." on line 3, insert the following: "*The department of finance at the close of each fiscal year or as soon thereafter as practicable, beginning July 1, 1981, shall furnish to the chief executive officer, legislative body of the incorporated cities and elected members of the General Assembly representing an "unincorporated urban place" or any portion thereof under the provisions of this Act and the provisions of KRS 177.365 and 177.366, a statement showing the total mount of all* *disbursements, the unliquidated and unincumbered balances of the funds allocated to the respective incorporated area or "unincorporated urban place" for that fiscal year.*

Floor Amendment No. 5 to the Committee Substitute to **HB 973,** by Representative Dunn:

Amend printed copy of Committee Substitute to **HB 973,** page 17, on line 6, place brackets before the words "six-tenths" and on line 7, after "(1/9)" and then inserting the following: *seven percent (7%)*

Floor Amendment No. 1 to the Committee Substitute to **HB 927,** by Representative Heleringer:

Amend printed copy of Committee Substitute for **HB 927,** page 19, line 19, after the word "purposes" insert a "." and delete "except to the extent..." delete all of lines 20, 21, 22 and on line 23 delete the words "revoke licenses."

Floor Amendment No. 2 to the Committee Substitute to **HB 927,** by Representative Heleringer:

Amend printed copy of Committee Substitute for **HB 927,** page 7, after line 10, insert the following:

"(c) Subsection one (1) of this section shall not apply in the case of a retarded or incompetent adult woman who has been adjudged incompetent under KRS Chapter 203, in which case the usual procedure for obtaining consent for medical treatment of an incompetent shall apply. But if the incompetent, under KRS 203.022(5), has not been disabled from giving and refusing consent to medical treatment, this act shall apply."

Floor Amendment No. 3 to the Committee Substitute to **HB 927,** by Representative Bendl:

Amend printed copy of Committee Substitute to **HB 927,** page 17, line 7, by deleting the figure subsection "(1)"

and on line 9, by inserting a "." after the word "patient"

and on line 9, beginning with the word "by" and continuing through to line 14 on page 20 by deleting these lines in their entirety.

Floor Amendment No. 1 to **SB 25,** by Representative DeFalaise:

Amend printed copy of **SB 25,** page 17, after line 3, insert the following new sections to read as follows:

"SECTION 12. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The boundaries of cities shall remain as established by law until changed as provided in KRS Chapter 81. The legislative body of any city may annex any unincorporated territory or reduce the boundaries of the city under the provisions of this Act.

SECTION 13. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Any city exercising authority under Section 12 of this Act shall make plans for the extension of services to the area proposed to be annexed and shall, prior to the public hearings provided for in Section 16 of this Act, prepare a report setting forth such plans. The report shall include:

(1) A map of the city and adjacent territory to show the following information:

(a) The present and proposed boundaries of the city;

(b) The present streets, major trunk water mains, sewer interceptors and outfalls as well as other utility lines;

(c) The present areas receiving, or able to receive, major city services, and the proposed extension of such services to other areas; and

(d) The prevailing general land use patterns existing in the area to be annexed.

(2) A statement showing that the area to be annexed meets the requirements of Section 14 of this Act.

(3) A statement setting forth the plans of the city for extending to the area to be annexed each major city service owned by the city or subsidized through city tax revenues and performed within the city at the time of annexation. Such statement shall:

(a) Provide for extending police and fire protection, garbage collection, and street maintenance services to the area to be annexed on the date of annexation, on substantially the same basis and in the same manner as such services are provided within the boundaries of the city prior to annexation;

(b) Provide for extension, into the area to be annexed, of streets and of major trunk water mains, sewer outfall lines, and lines for such utility services as the city provides to existing city residents and legally may provide in the annexed area, so that when such streets and utility lines are constructed, property owners in the area to be annexed will be able to secure the services, according to the policies in effect in the city for extending the services to individual lots or subdivisions; and shall name the government proposed to be responsible under the plans for any streets or roads which abut or form a boundary of the area to be annexed;

(c) Set forth a proposed timetable for the extension of, and if necessary, the construction for each major city service;

(d) Set forth a projected estimation of tax rates pursuant to Section 19 of this Act to be levied by the city upon the area to be annexed and affected residents of that area for each year until such time that all major city services have been provided; and

(e) Set forth the method under which the city plans to finance extension of services into the area to be annexed.

SECTION 14. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city legislative body may extend the city's boundaries to include any area:

(a) Which is adjacent or contiguous to the city's boundaries at the time the annexation proceeding is begun; and

(b) Which by reason of population density, commercial, industrial, institutional or governmental use of land, or subdivision of land, is urban in character or suitable for development for urban purposes without unreasonable delay.

(2) No part of the area to be annexed shall be included within the boundary of another incorporated city, except as provided by law.

(3) If a city is considering the annexation of two (2) or more areas which are all adjacent to the city boundary but are not adjacent to one another, it may undertake simultaneous proceedings under authority of Section 12 of this Act for the annexation of such areas.

SECTION 15. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Any city legislative body desiring to annex territory shall first pass an ordinance stating the intent of the city to consider annexation. The ordinance shall also specify the following:

(a) A summary of the report which is required by Section 13 of this Act;

(b) A statement setting forth its findings that the area meets the standards of Section 14 of this Act;

(c) The date, time and place for public hearings on the question of annexation, the date to be not less than thirty (30) days nor more than sixty (60) days following the passage of the ordinance; and

(d) A statement that the report required in Section 13 of this Act will be available for inspection at least thirty (30) days prior to the date of the first public hearing and where it will be available.

SECTION 16. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) At least two (2) public hearings shall be held on the proposed annexation after the passage of an ordinance pursuant to Section 15 of this Act. Additional hearings may be held. Notice of such hearings shall be published in accordance with KRS Chapter 424.

(2) The hearings held pursuant to this section shall provide an opportunity to be heard to all persons residing or owning property in the area described in the notice of the public hearing, and to all residents of the city.

(3) At each public hearing, a representative of the city shall make an explanation of the report required in Section 13 of this Act. Such explanation shall be as detailed as necessary so as to convey an accurate and definitive report.

(4) The city legislative body shall take into consideration facts presented at the public hearings and shall have authority to amend the report required by Section 13 of this Act and to make changes in the plans for serving the area proposed to be annexed so long as such changes meet the requirements of Section 14 of this Act. If any amendment or change is approved by the city legislative body, another hearing shall be held to provide any person residing or owning property in the area to be annexed or any resident of the city an opportunity to be heard on the amendment or amendments. Such hearing shall be held not later than thirty (30) days after the city legislative body approves the amendment. Notice of such hearing shall be published in accordance with KRS Chapter 424.

SECTION 17. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) At any meeting of the city legislative body which occurs not sooner than thirty (30) days nor later than sixty (60) days following the last public hearing, the city legislative body may adopt an ordinance extending the corporate limits of the city to include all, or part, of the area described in the notice of the public hearing or, if there has been any amendment to such description, that described in the amendment. The area described shall meet the requirements of Section 14 of this Act. The ordinance shall be adopted by a two-thirds vote of the legislative body. The ordinance shall:

(a) Contain a statement of the intent of the city to provide services to the area being annexed as set forth in the report required by Section 13 of this Act.

(b) Contain specific findings showing that the area to be annexed meets the requirements of Section 14 of this Act. The external boundaries of the area to be annexed shall be described by metes and bounds. The city legislative body may also refer to the boundaries set forth on a map of the area and incorporate the same by reference as a part of the ordinance;

(c) Contain a specific finding that on the effective date of annexation the city will have the means to provide by assessment, appropriation or otherwise for the services as specified in Section 13 of this Act;

(d) Contain a statement specifying the city tax rates that will be levied for the next tax year upon the affected residents and property which is to be annexed; and

(e) Fix the effective date of annexation. The effective date of annexation may be fixed for any date within twelve (12) months from the date of passage of the ordinance except within the first sixty (60) days.

(2) The ordinance of annexation shall be published in accordance with the provisions of KRS Chapter 424.

(3) From and after the effective date of the annexation ordinance, the territory in the affected area and its residents and property shall be subject to all laws, ordinances and regulations in force in such city and shall be entitled to the same privileges and benefits as other parts of such city; provided, however, if

the annexation plan is remonstrated against pursuant to Section 18 of this Act, the effective date of the annexation shall not be until thirty (30) days after the certification of the vote in favor of annexation pursuant to subsection (3) of Section 18 of this Act.

SECTION 18. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) If following the publication of an annexation ordinance under authority of Section 17 of this Act and within sixty (60) days thereof, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be annexed petition the mayor in opposition to the proposal, an election shall be held at the next regular election occurring at least sixty (60) days after the petition is presented to the county clerk.

(2) The mayor of the city shall deliver a certified copy of the ordinance to the county clerk of the county in which the territory proposed to be annexed is located, or if such territory is located in more than one (1) county, to the county clerks of such counties, who shall have printed on the ballot provided for use in each precinct embraced in whole or in part within the territory proposed to be annexed the question: "Are you in favor of being annexed to the City of __________?" If only a part of any precinct is embraced within the territory proposed to be annexed only persons who reside within the territory proposed to be annexed shall be permitted to vote. The clerk shall cause the sheriff or sheriffs to deliver to the election officers in each precinct in the appropriate counties copies of the ordinance proposing to annex.

(3) If one-half (½) or more of the registered voters in the area to be annexed vote in favor of annexation, such territory shall become a part of the city as provided in subsection (3) of Section 14 of this Act.

(4) If less than one-half (½) of the registered voters in the area to be annexed vote in favor of annexation, the ordinance proposing annexation shall become ineffective for any purpose.

SECTION 19. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city shall tax property within the annexed area only in such amount as is commensurate with city services or facilities actually made available to the residents or property of the affected area including continuation of services provided prior to annexation.

(2) If services available from the city have been provided prior to annexation from another source in the annexed area, the city shall not tax for such services unless they are actually provided by the city as a lawful replacement for existing services.

SECTION 20. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city may reduce its boundaries by ordinance in accordance with this section.

(2) Area may be excluded from a city by a reduction of boundaries only if:

(a) The area does not need urban governmental services, or it can better obtain those services from another source;

(b) The reduction will not result in a substantial economic waste of the city's facilities in the area; and

(c) The retention of the area is not essential to the continued prosperity of the city or the reduction would best serve the needs and interests of the community as a whole with respect to government in urban territory.

(3) If following the publication of a reduction ordinance under the authority of Section 12 of this Act, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be reduced oppose the reduction ordinance, an election shall be held in accordance with the provisions of Section 18 of this Act.

SECTION 21. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Whenever the limits of a city are enlarged or reduced, the city shall cause an accurate map of the annexed or severed area with a metes and bounds description, together with a copy of the ordinance duly certified, to be recorded in the office of the county clerk of the county or counties in which the city is located and in the office of the secretary of state.

SECTION 22. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The provisions of this Act shall apply in any annexation proceeding in which the annexing city has not adopted a final annexation ordinance by the effective date of this Act.

SECTION 23. The following sections of the KRS are repealed:

81.100 Annexation of unincorporated territory or reduction of territory by first-class city.

81.110 Protest against annexation of unincorporated territory or reduction of territory by first-class city — Trial — Judgment.

81.140 Annexation of unincorporated territory or reduction of territory by second-class city.

81.145 Election on annexation of unincorporated territory by a city of the second class in a county containing a city of the second and third class.

81.180 Second-class city to divide annexed territory into wards — Right of electors in annexed territory.

81.190 Annexation or reduction of territory by third-class city.

81.210 Annexation or reduction of territory by fourth-class city.

81.220 Protest against annexation by fourth-class city — Trial — Judgment.

81.230 Annexation or reduction of territory by fifth-class city.

81.240 Annexation or reduction of territory by sixth-class city.

81.250 Fifth or sixth-class city takes over rights and liabilities of city annexed.

81.260 Liability of property owners in territory annexed to sixth-class city for debts of city incurred before annexation.

81.270 Resubmission of proposal for annexation or reduction by city of any class when first proposal is denied by court or defeated by voters.

81.296 Publication of ordinance."

Floor Amendment No. 2 to **SB 243,** by Representative Weinberg:

Amend printed copy of **SB 243,** on page 3, following line 13, by inserting the following: "Section 4. This Act shall become effective on July 1, 1981."

Floor Amendment No. 2 to **HB 752,** by Representative Deskins:

Amend printed copy of **HB 752,** page 4, after line 26, by adding the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 352 IS CREATED TO READ AS FOLLOWS:

(1) Where a slope or shaft is normally used for travel-way, no lowering or raising of equipment shall be allowed in the shaft or slope while men are nearby on the slope or at the bottom.

(2) Telephone service or equivalent two-way communications facilities shall be provided in all mines, at least one (1) of which shall be in service at all times.

(3) A telephone or equivalent two-way communication facility shall be located on the surface within five hundred (500) feet of all main portals, and shall be installed either in a building or in a box-like structure designed to protect the facilities from damage by inclement weather. At least one (1) of these communications facilities shall be at a location where a responsible person is always on duty when men are underground and who can hear the facility and respond immediately in the event of an emergency. "Two-way communication facility" shall mean a system maintained to allow voice contact to come in and out of the working section at all times.

(4) Telephones or equivalent two-way communications facilities provided at each working section shall be located not more than five hundred (500) feet out by the last open crosscut and not more than eight hundred (800) feet from the farthest point of penetration of the working places on such section.

(5) The incoming communication signal shall activate an audible alarm, distinguishable from the surrounding noise level, or a visual alarm that can be seen by a miner regularly employed in the working section.

(6) If a communication system other than telephones is used and its operation depends entirely upon power from the mine electric system, means shall be provided to permit continued communication in the event the mine electric power fails or is cut off; provided, that where trolley phones and telephones are both used, an alternate source of power for the trolley phone is not required.

(7) Telephones or equivalent two-way communication facilities shall be maintained in good operating condition at all times. In the event of any failure in the system that results in loss of communication, repairs shall be started immediately and the system restored to operating condition as soon as possible.

(8) Where required by the commissioner, trucks used for haulage of coal, men or supplies by an operator shall be equipped with two-way communications instruments. Unless the commissioner for good cause grants a waiver, all such telephone or equivalent two-way communications shall be connected to regular telephonic and other means of communications available in the community so that in the event of an emergency, emergency medical attendants or other personnel can communicate from within the mine directly to health care facilities.

(9) All unattended underground loading points where electric driven hydraulic systems are used shall utilize a fireproof oil or emulsion.

(10) An efficient self-propelled ambulance, equipped with sufficient first-aid equipment and supplies, shall be available on all underground sections to transport injured workers to the surface.

(11) Where transportation of personnel is exclusively by rail, track shall be maintained to within five hundred (500) feet of the nearest working face. Locomotives or vehicles traveling by track shall be equipped and maintained with two-way communications to allow voice contact between the dispatcher and other vehicles traveling on the track.

(12) In any coal mine where more than three hundred fifty (350) tons of a run of mine coal are produced on any shift in each twenty-four (24) hour period, a dispatcher shall be on duty when there are movements of track equipment underground, including time when there is no production of coal. Such traffic shall move only at the direction of the dispatcher. The dispatcher's only duty shall be to direct traffic. Where a dispatcher is employed, no person shall move a locomotive, personnel carrier or self-propelled equipment on or onto haulageways without instructions from the dispatcher.

(13) While trackmen are working on haulageways, the dispatcher, or if there is not dispatcher, such other person responsible for communications with haulage crews shall give notice to haulage crews to maintain traffic under a slow and safe operating speed at the point of construction or repair.

(14) No miner shall be allowed to work in the mine unless he is within sound or sight of another miner."

Floor Amendment No. 2 to **HB 817,** by Representative McNutt:

Amend printed copy of **HB 817,** page 4, between lines 12 and 13, insrt "*(y) Any activity designed for the preservation of residential neighborhoods.*";

and on page 6, line 4, add: "*(9) The powers granted fiscal court in subsection (3)(y) of this Act are granted to cities.*"

Floor Amendment No. 1 to **HB 842,** by Representative Mann:

Amend printed copy of **HB 842,** page 2, by adding the following new subsection after line 26: "*(6) Nothing in this chapter shall supersede KRS 156.010.*".

Floor Amendment No. 1 to **SB 44,** by Representative Blythe:

Amend printed copy of **SB 44,** page 12, line 8, by deleting the words after the number "6." and inserting in lieu thereof the following:

"A NEW SECTION OF KRS CHAPTER 139 IS CREATED TO READ AS FOLLOWS:

(1) For purposes of this Act, "mobile home" shall mean a structure, transportable in one (1) or more sections, which when erected on site measures eight (8) body feet or more in width and thirty-two (32) body feet or more in length, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation, when connected to the required utilities.

(2) The gross receipts from the sales of mobile homes as defined in subsection (1) of this section shall be excluded from the computation of the amount of taxes imposed by the provisions of KRS 139.470 when the purchaser of such mobile home swears to the seller, in an affidavit for the department of revenue, that such mobile home will be used as the taxpayer's principal place of residence.

(3) There shall be a penalty of fifteen percent (15%) of the taxes due plus interest at a rate of one percent (1%) per month against any taxpayer who has made a fraudulent affidavit referred to in subsection (2) of this section.

Section 7. KRS 139.100 is amended to read as follows:

(1) "Retail sale" or "sale at retail" means:
(a) 1. A sale for any purpose other than resale in the regular course of business of tangible personal property, or
2. The furnishing of the facilities and services mentioned in subsection (2) of this section;
(b) The delivery in this state of tangible personal property by an owner or former owner thereof or by a factor, or agent of such owner, former owner or factor, if the delivery is to a consumer or person for redelivery to a consumer pursuant to a retail sale made by a retailer not engaged in business in this state. The person making the delivery shall include the retail selling price of the property in his gross receipts.
(2) "Retail sale" or "sale at retail" shall include but shall not be limited to the following:
(a) The rental of any room or rooms, lodgings, or accommodations furnished by any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished to transients for a consideration. The tax shall not apply, however, to rooms, lodgings, or accommodations supplied for a continuous period of ninety (90) days or more to an individual;
(b) The furnishing of sewer services and intrastate telephonic and telegraphic communications and services;
(c) The sale of admissions, except, those taxed under KRS 138.480;
(d) The sale of tangible personal property directly used in the manufacturing of mobile homes."

and by renumbering the following section accordingly.

Floor Amendment No. 2 to **SB 44,** by Representative Blythe:

Amend printed copy of **SB 44,** page 12, line 8, by deleting the words after the number "6." and inserting in lieu thereof the following:

"A NEW SECTION OF KRS CHAPTER 139 IS CREATED TO READ AS FOLLOWS:

(1) For purposes of this Act, "mobile home" shall mean a structure, transportable in one (1) or more sections, which when erected on site measures eight (8) body feet or more in width and thirty-two (32) body feet or more in length, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation, when connected to the required utilities.

(2) The gross receipts from the sales of mobile homes as defined in subsection (1) of this section shall be excluded from the computation of the amount of taxes imposed by the provisions of KRS 139.470 when the purchaser of such mobile home swears to the seller, in an affidavit for the department of revenue, that such mobile home will be used as the taxpayer's principal place of residence.

(3) There shall be a penalty of fifteen percent (15%) of the taxes due plus interest at a rate of one percent (1%) per month against any taxpayer who has made a fraudulent affidavit referred to in subsection (2) of this section.

Section 7. KRS 139.100 is amended to read as follows:

(1) "Retail sale" or "sale at retail" means:
(a) 1. A sale for any purpose other than resale in the regular course of business of tangible personal property, or
2. The furnishing of the facilities and services mentioned in subsection (2) of this section;
(b) The delivery in this state of tangible personal property by an owner or former owner thereof or by a factor, or agent of such owner, former owner or factor, if the delivery is to a consumer or person for redelivery to a consumer pursuant to a retail sale made by a retailer not engaged in business in this state. The person making the delivery shall include the retail selling price of the property in his gross receipts.
(2) "Retail sale" or "sale at retail" shall include but shall not be limited to the following:
(a) The rental of any room or rooms, lodgings, or accommodations furnished by any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished to transients for a consideration. The tax shall not apply, however, to rooms, lodgings, or accommodations supplied for a continuous period of ninety (90) days or more to an individual;
(b) The furnishing of sewer services and intrastate telephonic and telegraphic communications and services;
(c) The sale of admissions, except, those taxed under KRS 138.480;
(d) The sale of tangible personal property directly used in the manufacturing of mobile homes."

and by renumbering the following section accordingly.

and on page 12, line 21, by adding the following:

"Section 9. The provisions of sections 6 and 7 of this Act shall become effective July 1, 1982."

Floor Amendment No. 4 to **SB 102** by Representative Kidd:

Amend printed copy of **SB 102,** page 2, lines 2 through 15, to delete the same

and on page 2, line 21, to place "[]" around "1978"

and on page 3, lines 6 through 18, to delete the same.

Floor Amendment No. 1 to the Committee Substitute to **SB 267,** by Representative Dunn:

Amend printed Committee Substitute to **SB 267,** page 31, line 11, after the word "proposed" delete the comma, and add the following language: "*for nuclear waste or toxic waste as defined by the Environmental Protection Agency pursuant to the "Toxic Substances and Control Act of 1976" - 15 U.S.C. Sect. 2601, et. al - P.L. 94-469 as amended,*"

Floor Amendment No. 1 to **SB 268,** by Representative Burnette:

Amend printed copy of **SB 268,** on page 1, by deleting lines 1-2 in their entirety and by inserting in lieu thereof the following:

"Section 1. KRS 224.252 is amended to read as follows:

Any regulation promulgated relating to hazardous and solid waste shall be no more stringent than federal requirements *except where specifically authorized by statute; provided, however, such prohibition shall not preclude the department from adopting and implementing interim state regulations prior to the promulgation of federal regulations under the resource conservation and recovery act. Any interim state regulation adopted prior to the promulgation of federal regulations under the resource conservation and recovery act shall promptly be revised to conform and be equivalent to such federal regulations.*"

Floor Amendment No. 2 to **HB 779,** by Representative Riner:

Amend printed copy of **HB 779,** page 4, line 6, by deleting the period on line 6 and adding after the word "others" the following new language: "including the life of an unborn human fetus."

Floor Amendment No. 3 to **HB 817,** by Representative Yates:

Amend printed copy of **HB 817,** page 2, line 19, by adding the following after "*housing*": "*and the reconstruction, renovation or repair of existing homes*".

Floor Amendment No. 11 to **SB 140,** by Representative Burnette:

Amend printed copy of **SB 140,** page 2, line 18, by adding the following after line 18:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 161 IS CREATED TO READ AS FOLLOWS:

(1) All persons who now or hereafter are employed by or who now or hereafter are on the payroll of any school board, board of regents, or board of trustees of the state educational system are hereby required to take an oath before any person duly authorized to take acknowledgements of instruments for public record in the state in the following form:

'I............, a citizen of the State of Kentucky and of the United States of America, and being employed by or an officer of ...... and a recipient of public funds as such employee or officer, do hereby solemnly swear or affirm that I will support the constitution of the United States and the constitution of this commonwealth; and I further state, in order to establish my support for the constitution of the United States and the Commonwealth of Kentucky, that I do not personally believe in the overthrow of the government of the United States or of the Commonwealth of Kentucky by force or violence.'

(2) Said oath shall be filed with the records of the employing agency prior to the approval of any voucher for the payment of salary, expenses, or other compensation.

(3) If a person refuses to take the oath, or having taken the oath, thereafter teaches or expresses any belief in the overthrow of the government of the United States or of the Commonwealth of Kentucky by force or violence, he shall immediately be placed on leave of absence without pay pending the results of a hearing.

(4) If the evidence provided by a due process hearing indicates the person is guilty of the charge, the person shall be immediately discharged by the board of education and his name removed from the payroll, and thereafter such person shall not be permitted to be employed by a school district.

(5) If the evidence of the due process hearing shows the person not guilty of the charge, he shall be reinstated in his original position and shall receive all forfeited pay.

(6) Currently employed persons must take the oath at the first renewal date of the contract following the effective date of this Act if such oath has not been previously taken."

Floor Amendment No. 1 to **SB 210,** by Representative Hines:

Amend printed copy of **SB 210,** page 3, after line 3, "The composition of the commission shall be structured so as to reflect the total racial makeup of the representative and senatorial districts involved."

Floor Amendment No. 1 to the Committee Substitute to **HB 931,** by Representative Bennett:

Amend printed copy of Committee Substitute to **HB 931,** page 107, after line 13, insert the following:

"ee. Jefferson Community College Southwest
Auditorium/classroom wing
Bond Fund $1,400,000."

Floor Amendment No. 5 to the Committee Substitute to **HB 968,** by Representative Donnermeyer:

Amend printed copy of Committee Substitute for **HB 968,** page 14, after line 22, add the following:

"Section 20. Athletic event ticket sales of high schools are exempted from sales and use tax."

Floor Amendment No. 6 to the Committee Substitute to **HB 968** by Representative B. Richardson:

Amend printed copy of **HB 968,** page 18, by deleting Section 18 in its entirety.

Representative B. Richardson moved that no other business be conducted on this day other than Report of Committees. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so until Monday, March 24, 1980 at the hour of 9:30 a.m. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so by voice vote. Agreed.

Recess

Representative B. Richardson moved that the House recess for fifteen minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker Pro Tempore assumed the Chair and called the House to order.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

State Government: **HB 957.**

Counties and Special Districts: **SB 327, SB 349, SB 353.**

Report of Committees

The Committee on Rules reported **HB 251, HB 514, HB 931, HB 927, HB 777, SB 11, SB 141, HB 782,** and **HR 96** have been posted for passage in Orders of the Day, March 25, 1980.

Adjournment

Representative Donnermeyer moved that the House adjourn until 9:30 a.m., Monday, March 24, 1980.

The motion that the House adjourn was adopted by voice vote.

MONDAY, MARCH 24, 1980

FIFTIETH LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Reverend Rick Smale, Westview Christian Church, Albany, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 21, 1980, be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 127, by Representatives Bennett, Little, Van Horn, Gray, and Cyrus: A RESOLUTION commending the working people of Kentucky who demonstrated their interests and concerns on March 19, 1980.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **SB 383, SB 236.**

Business Organizations and Professions: **SB 348.**

Cities: **SB 311, SB 338, SB 347.**

Counties and Special Districts: **SB 278, SB 390.**

Education: **SB 93, SB 173, SB 195.**

Elections and Constitutional Amendments: **SB 366.**

Energy: **SB 279, SB 255.**

Judiciary: **SB 283, SB 378, SB 363.**

Natural Resources and Environment: **SB 315.**

State Government: **SB 368, SB 245.**

Transportation: **SB 323.**

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Labor and Industry: **HR 111.**

Calendar

HB 793, HR 21, HB 846, HB 880, HCR 67, HR 114, SB 210, SB 80, HB 777, HB 782, HB 927, HR 96, SB 66, and **SCR 23** taken from the Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 123, HB 287, HB 438, HB 448, HB 499, HB 515, HB 516, HB 538,** and **HB 544** had been examined and found correctly enrolled. Said bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Senate Message

Announcing passage of **SB 186, SB 371, SB 376,** and **HB 472** with Senate Amendments.

Representative B. Richardson moved that the rules be suspended to waive the posting time limit in regard to **SB 237.** Agreed.

Representative B. Richardson announced the following meetings during recess:

Appropriation and Revenue, 11 a.m., Room A; Banking and Insurance, Room 307; Health and Welfare, State Reception Room; Judiciary, Room 9; Natural Resources and Environment, Room 246; State Government, Room 3C.

Recess

Representative B. Richardson moved that the House recess until 12 noon.

On the roll call the vote was yeas 34-Adams, Arnold, Bendl, Blair, Brinkley, Cawood, Curd, Cyrus, Davenport, Donnermeyer, Farrow, Foster, Freibert, Gray, Head, Hines, Isler, Kenton, List, Little, Mann, Moberly, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Sale, Schmidt, Stone, Turner, Weinberg. Nays 8-Bennett, Caldwell, Dunn, Holbrook, Layman, Robinson, Van Horn, Wright.

The motion that the House recess until 12 noon was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

HB 972, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Rapier moved the adoption of the Committee Amendment No. 1 to **HB 972.** Agreed.

Representative Rapier moved that **HB 972,** as amended, be passed.

On the roll call the vote was yeas 50-Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Burch, Caldwell, Cawood, Clark, Davenport, Donnermeyer, Dunn, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Mann, Maynard, Moberly, Nett, O'Brien, Pearman, Petty, Plummer, Priddy, Rapier, B. Richardson, P. Richardson, Romines, Schmidt, Smith, Thomason, Tobin, Weinberg, Wilborn, Worthington, Yates. Nays 19-Allen, Arnold, Burnette, Craddock, DeMarcus, Deskins, Ellington, Farrow, Fryman, Head, Layman, May, Morris, Rattliff, Reynolds, Richards, Turner, Van Horn, Wright.

HB 972, as amended, was passed and the title agreed to.

Representative Rapier moved that the vote by which **HB 972,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 858, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Nett moved the adoption of the Committee Amendment No. 1 to **HB 858.** Agreed.

Representative Bendl moved the adoption of the Floor Amendment No. 1 to **HB 858.** Agreed.

Representative Nett moved that **HB 858,** as amended, be passed.

On the roll call the vote was yeas 57-Adams, Allen, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brown, Burch, Cawood, Clapp, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, Deskins, Dunn, Foster, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holloway, Jones, Kenton, Kidd, LeMaster, Lewis, List, Mann, May, Maynard, Moberly, Nett, Noe, O'Brien, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Thomason, Tobin, Turner, Weinberg, Wilborn, Yates. Nays 19-Blair, Brinkley, Bruce, Caldwell, Craddock, DeMarcus, Donnermeyer, Farrow, Fryman, Isler, Johnson, McBee, McNutt, Morris, Pearman, Plummer, Robinson, Van Horn, Wright.

HB 858, as amended, was passed and the title agreed to.

Representative Nett moved that the vote by which **HB 858,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended for the purpose of making a motion. Agreed.

Representative May moved that the vote on **HB 968** be reconsidered.

On the roll call the vote was yeas 51-Adams, Arnold, Barrows, Bendl, Blythe, Brinkley, Brown, Bruce, Burch, Cawood, Clapp, Clarke, Craddock, Crupper, Curd, Cyrus, Deskins, Ellington, Foster, Hancock, Head, Heleringer, Hines, Jones, Kenton, Kidd, Little, Lundergan, May, Maynard, McBee, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, Reynolds, Richards, B. Richardson, Sale, Stone, Stumbo, Thomason, Tobin, Weinberg, Wilborn, Worthington. Nays 21-Allen, Blair, Burnette, Caldwell, DeMarcus, Farrow, Freibert, Fryman, Guenthner, Haering, Holbrook, Isler, Layman, Lewis, Rattliff, Robinson, Smith, Turner, Van Horn, White, Wright.

The motion that the vote on **HB 968** be reconsidered was adopted.

HB 877, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Nett moved the adoption of the Committee Amendment No. 1 to **HB 877.** Agreed.

Representative Nett moved that **HB 877,** as amended, be passed.

On the roll call the vote was yeas 66-Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Cawood, Clarke, Craddock, Crupper, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, May, Maynard, McBee, Morris, Nett, O'Brien, Overstreet, Pearman, Petty, Priddy, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Williams, Wright, Yates. Nays 11-Allen, Caldwell, DeMarcus, Freibert, Fryman, Noe, Plummer, Reynolds, Robinson, Turner, Worthington.

HB 877, as amended, was passed and the title agreed to.

Representative Nett moved that the vote by which **HB 877,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 81 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Smith moved that **HCR 81** be passed.

On the roll call the vote was yeas 84-Adams, Allen, Barrows, Bennett, Blair, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Caldwell, Cawood, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Plummer, Priddy, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HCR 81 was passed and the title agreed to.

Representative Smith moved that the vote by which **HCR 81** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Report on Enrolled Bills

HB 105, HB 119, HB 204, HB 205, HB 208, HB 236, HB 269, HB 389, HB 481, HB 482, HB 568, HB 265, HB 364, HB 449, HB 123, HB 287, HB 438, HB 448, HB 499, HB 515, HB 516, HB 538, and **HB 544** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

HB 644 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 644** be passed.

On the roll call the vote was yeas 83-Adams, Barrows, Bendl, Bennett, Blair, Boswell, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Overstreet, Pearman, Petty, Plummer, Priddy, Rattliff, Reynolds, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HB 644 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 644** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 17 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Ellington moved that **HB 17** be passed.

On the roll call the vote was yeas 42-Bendl, Blandford, Boswell, Brinkley, Brown, Bruce, Burnette, Cawood, Clark, Craddock, Cyrus, Dawahare, DeMarcus, Ellington, Guenthner, Head, Holbrook, Holloway, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, May, Plummer, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Worthington. Nays 41-Adams, Allen, Barrows, Bennett, Blair, Blythe, Burch, Caldwell, Clarke, Curd, Davenport, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Heleringer, Isler, List, Mann, Maynard, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Romines, Sale, Schmidt, Smith, White, Wilborn, Wright, Yates.

HB 17 was passed and the title agreed to.

Representative Ellington moved that the vote by which **HB 17** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 645 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 645** be passed.

On the roll call the vote was yeas 78-Adams, Allen, Barrows, Bendl, Blair, Blandford, Boswell, Brinkley, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Wright, Yates. Nays 1-Blythe.

HB 645 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 645** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 746 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 746** be passed.

On the roll call the vote was yeas 71-Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rattliff, Reynolds, B. Richardson, P. Richardson, Riner, Robinson, Romines, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Wright, Yates. Nays 12-Adams, Allen, Blair, Burnette, Davenport, Fryman, Hancock, Layman, Plummer, Richards, Thomas, Worthington.

HB 746 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 746** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 109, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Isler moved the adoption of the Committee Substitute to **HB 109.** Agreed.

Representative Wilborn moved the adoption of the Floor Amendment No. 1 to **HB 109.**

On the roll call the vote was yeas 48-Allen, Barrows, Bendl, Bennett, Brinkley, Bruce, Cawood, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Farrow, Foster, Gray, Hancock, Holbrook, Holloway, Isler,Kenton, LeMaster, List, Little, Lundergan, Mann, Moberly, Morris, Nett, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, P. Richardson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Wilborn. Nays 23-Adams, Blair, Brown, Burnette, Caldwell, Clark, Dunn, Freibert, Fryman, Guenthner, Haering, Johnson, Layman, Lewis, Pearman, Reynolds, Richards, Riner, Tobin, Turner, Van Horn, Wright, Yates.

Floor Amendment No. 1 to **HB 109** was adopted.

Representative Isler moved that **HB 109,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 86-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 1-Guenthner.

HB 109, by way of Committee Substitute as amended, was passed.

Representative Wilborn moved the adoption of the Floor Title Amendment to the Committee Substitute to **HB 109.** Agreed.

Representative Wilborn moved that the vote by which **HB 109,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 646 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 646** be passed.

On the roll call the vote was yeas 80-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Brown, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Isler, Johnson, Kenton, Kidd, LeMaster, List, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Pearman, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 5-Allen, Blythe, Bruce, Layman, Morris.

HB 646 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 646** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 121 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Worthington moved that **HB 121** be passed.

On the roll call the vote was yeas 83-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Brown, Bruce, Burnette, Caldwell, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, List, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 3-Allen, DeFalaise, Layman.

HB 121 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 121** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 298, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Van Horn moved that **HB 298** be passed.

Representative Wilborn moved the adoption of the Floor Amendment No. 1 to **HB 298.** Agreed.

Representative Van Horn moved that **HB 298,** as amended, be passed.

On the roll call the vote was yeas 69-Allen, Bennett, Blair, Blandford, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Kenton, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Plummer, Priddy, Rapier, Reynolds, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 10-Barrows, Blythe, Caldwell, Freibert, Haering, Hancock, Layman, Rattliff, B. Richardson, Schmidt.

HB 298, as amended, was passed.

Representative Wilborn moved the adoption of the Floor Title Amendment to **HB 298.** Agreed.

Representative Wilborn moved that the vote by which **HB 298,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 721 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mann moved that **HB 721** be passed.

On the roll call the vote was yeas 84-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright. Nays 0.

HB 721 was passed and the title agreed to.

Representative Mann moved that the vote by which **HB 721** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 647 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 647** be passed.

On the roll call the vote was yeas 87-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright. Nays 1-DeMarcus.

HB 647 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 647** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 395 with Committee Substitute and Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Noe moved the adoption of the Committee Substitute to **HB 395.** Agreed.

Representative Noe moved that **HB 395,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 89-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 7-Allen, Clarke, Davenport, Haering, Johnson, Rattliff, Schmidt.

HB 395, by way of Committee Substitute, was passed and the title agreed to.

Representative Noe moved that the vote by which **HB 395,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 786 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 786** be passed.

On the roll call the vote was yeas 85-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Gray, Guenthner, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 7-Allen, Blythe, Fryman, Haering, Hancock, Layman, Weinberg.

HB 786 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 786** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 417 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Priddy moved that **HB 417** be passed.

On the roll call the vote was yeas 89-Adams, Allen, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright. Nays 0.

HB 417 was passed and the title agreed to.

Representative Priddy moved that the vote by which **HB 417** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 827 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 827** be passed.

On the roll call the vote was yeas 83-Adams, Barrows, Bennett, Blair, Blandford, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, Lewis, Little, Lundergan, May, Maynard, McBee, McKinney, Moberly, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 5-DeFalaise, Freibert, LeMaster, List, Morris.

HB 827 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 827** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 476, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Riner moved the adoption of the Committee Substitute to **HB 476.** Agreed.

On the roll call the vote was yeas 71-Adams, Arnold, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Head, Heleringer, Hines, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, May, Maynard, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 13-Allen, Caldwell, Clarke, Deskins, Farrow, Guenthner, Hancock, Holbrook, Jones, Layman, Overstreet, Schmidt, Thomason.

HB 476, by way of Committee Substitute, was passed and the title agreed to.

Representative Riner moved that the vote by which **HB 476,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 506, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved the adoption of the Committee Substitute to **HB 506.** Agreed.

Representative LeMaster moved that **HB 506,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 78-Adams, Arnold, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 7-Allen, Dawahare, DeMarcus, Freibert, Haering, Layman, Worthington.

HB 506, by way of Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 506,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 521 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Heleringer moved that **HB 521** be passed.

On the roll call the vote was yeas 71-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clarke, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Isler, Kenton, Kidd, Layman, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 20-Adams, Blythe, Bruce, Clark, Craddock, Crupper, Davenport, Deskins, Ellington, Foster, Holbrook, Holloway, List, McNutt, Morris, Overstreet, Patrick, Robinson, Thomason, Tobin.

HB 521 was passed and the title agreed to.

Representative Heleringer moved that the vote by which **HB 521** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 588, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Pearman moved that **HB 588** be passed.

Representative Dunn moved the adoption of the Committee Amendment No. 1 to **HB 588.**

On the roll call the vote was yeas 71-Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, Lewis, Lundergan, Mann, Maynard, McBee, Morris, Nett, Noe, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Schmidt, Stone, Thomas, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 0.

The Committee Amendment No. 1 to **HB 588** was passed.

Representative Pearman moved that **HB 588,** as amended, be passed.

On the roll call the vote was yeas 73-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Hines, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Lundergan, Mann, Maynard, McBee, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Thomas, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 5-Blythe, Clarke, DeMarcus, Holbrook, Robinson.

HB 588, as amended, was passed and the title agreed to.

Representative Pearman moved that the vote by which **HB 588,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 969 with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Amendment No. 1 to **HB 969.** Agreed.

Representative B. Richardson moved that **HB 969,** as amended, be passed.

On the roll call the vote was yeas 46-Adams, Barrows, Blair, Brinkley, Brown, Bruce, Cawood, Clapp, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Ellington, Foster, Gray, Hancock, Hines, Holbrook, Holloway, Jones, Kenton, Kidd, Little, Lundergan, May, Maynard, McBee, Moberly, Morris, Noe, O'Brien, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Stone, Stumbo, Thomas, Thomason, Tobin, Weinberg. Nays 36-Allen, Blythe, Boswell, Bronger, Burnette, Caldwell, Clark, Clarke, Davenport, Donnermeyer, Farrow, Freibert, Fryman, Guenthner, Haering, Head, Isler, Johnson, Layman, LeMaster, Lewis, List, Mann, McNutt, Patrick, Plummer, Rattliff, Riner, Robinson, Schmidt, Turner, Van Horn, White, Wilborn, Wright, Yates.

HB 969, as amended, was defeated.

HB 668, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Craddock moved the adoption of the Committee Substitute to **HB 668.** Agreed.

Representative Craddock moved that **HB 668,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 87-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Nett, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HB 668, by way of Committee Substitute, was passed and the title agreed to.

Representative Craddock moved that the vote by which **HB 668,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 624, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cyrus moved the adoption of the Floor Amendment No. 1 to **HB 624.** Agreed.

Representative Cyrus moved that **HB 624,** as amended, be passed.

On the roll call the vote was yeas 85-Allen, Arnold, Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Fryman, Gray, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 8-Adams, Bendl, Blair, Caldwell, Clarke, Freibert, Hancock, McNutt.

HB 624, as amended, was passed and the title agreed to.

Representative Cyrus moved that the vote by which **HB 624,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended for the purpose of making a motion. Agreed.

Representative Johnson moved that the vote on **HB 969,** as amended, be reconsidered and that it be placed in Orders of the Day.

On the roll call the vote was yeas 45-Adams, Arnold, Bendl, Blandford, Boswell, Brinkley, Brown, Bruce, Burch, Craddock, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Foster, Gray, Hancock, Heleringer, Isler, Johnson, Kenton, Mann, May, Maynard, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Pearman, Petty, Rapier, Richards, B. Richardson, P. Richardson, Sale, Smith, Stone, Thomas, Thomason, Tobin, Weinberg. Nays 22-Allen, Blair, Caldwell, Clarke, Crupper, Davenport, Farrow, Freibert, Fryman, Haering, Layman, Lewis, McNutt, Patrick, Plummer, Rattliff, Riner, Robinson, Schmidt, Van Horn, Wilborn, Wright.

The motion that the vote on **HB 969** be reconsidered and that it be placed in Orders of the Day was adopted.

Speaker Pro Tempore presiding.

HB 706 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Petty moved that **HB 706** be passed.

On the roll call the vote was yeas 86-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clapp, Clarke, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kidd, Layman, LeMaster, Lewis, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 0.

HB 706 was passed and the title agreed to.

Representative Petty moved that the vote by which **HB 706** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 969, as amended, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative B. Richardson moved that **HB 969,** as amended, be passed.

On the roll call the vote was yeas 60-Adams, Barrows, Bendl, Blandford, Boswell, Brinkley, Brown, Bruce, Burch, Cawood, Clapp, Craddock, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Ellington, Foster, Gray, Hancock, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Weinberg, Worthington. Nays 26-Allen, Arnold, Blair, Caldwell, Clark, Clarke, Crupper, Davenport, Farrow, Freibert, Fryman, Head, Layman, List, Patrick, Plummer, Rattliff, Riner, Robinson, Schmidt, Turner, Van Horn, White, Wilborn, Wright, Yates.

HB 969, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 969,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that **HB 723** be recommitted to the Committee on Education. Agreed.

HB 757 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cyrus moved that **HB 757** be passed.

On the roll call the vote was yeas 60-Adams, Arnold, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burnette, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Gray, Head, Hines, Holbrook, Isler, Jones, Kidd, LeMaster, Little, Lundergan, May, Maynard, McBee, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomason, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 22-Allen, Barrows, Bruce, Caldwell, Clarke, Davenport, DeFalaise, Farrow, Freibert, Fryman, Guenthner, Haering, Layman, Lewis, List, Mann, McKinney, McNutt, Robinson, Schmidt, Thomas, Turner.

HB 757 was passed and the title agreed to.

Representative Cyrus moved that the vote by which **HB 757** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 835, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Deskins moved the adoption of the Committee Substitute to **HB 835.** Agreed.

Representative Deskins moved that **HB 835,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 69-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Dunn, Ellington, Foster, Freibert, Gray, Head, Hines, Isler, Jones, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, May, Maynard, McBee, McKinney, Moberly, Noe, O'Brien, Overstreet, Patrick, Pearman, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 7-Allen, Clarke, Crupper, Farrow, Haering, Petty, Wilborn.

HB 835, by way of Committee Substitute, was passed and the title agreed to.

Representative Deskins moved that the vote by which **HB 835,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 767, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Romines moved the adoption of Floor Amendment No. 1 to **HB 767.** Agreed.

Representative Romines moved that **HB 767,** as amended, be passed.

On the roll call the vote was yeas 81-Adams, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Nett, Noe, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 2-McNutt, Tobin.

HB 767, as amended, was passed and the title agreed to.

Representative Romines moved that the vote by which **HB 767,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended for the purpose of making a motion. Agreed.

Representative Bennett moved that the vote on **HB 863** be reconsidered.

On the roll call the vote was yeas 36-Arnold, Barrows, Bendl, Bennett, Caldwell, Cawood, Clarke, Cyrus, Donnermeyer, Dunn, Freibert, Gray, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kidd, List, Little, Maynard, Moberly, Noe, O'Brien, Petty, Priddy, Richards, Sale, Smith, Tobin, Wilborn, Worthington, Yates. Nays 49-Adams, Allen, Blair, Blandford, Boswell, Brinkley, Bruce, Burch, Burnette, Clark, Craddock, Curd, Davenport, DeMarcus, Deskins, Ellington, Farrow, Foster, Fryman, Guenthner, Johnson, Layman, Lewis, Lundergan, Mann, McBee, McKinney, McNutt, Morris, Nett, Overstreet, Patrick, Pearman, Plummer, Rapier, Rattliff, B. Richardson, P. Richardson, Riner, Robinson, Romines, Stone, Stumbo, Thomason, Turner, Van Horn, White, Williams, Wright.

The motion that the vote on **HB 863** be reconsidered was rejected.

HB 968, by way of Committee Substitute as amended by Floor Amendments No. 2 and No. 4, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative B. Richardson moved that the rules be suspended to allow amendments filed today to be considered.

On the roll call the vote was yeas 52-Adams, Arnold, Boswell, Brinkley, Brown, Bruce, Burnette, Cawood, Clapp, Craddock, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Ellington, Farrow, Foster, Heleringer, Hines, Isler, Jones, Kenton, Kidd, LeMaster, Little, Lundergan, Mann, May, Maynard, McKinney, Moberly, Morris, Noe, O'Brien, Pearman, Pettv, Rapier, Reynolds, Richards, B. Richardson, Sale, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Worthington. Nays 26-Allen, Blair, Blandford, Burch, Caldwell, Clark, Deskins, Dunn, Freibert, Fryman, Guenthner, Haering, Holbrook, Layman, Lewis, List, McNutt, Nett, Patrick, Rattliff, Riner, Schmidt, Smith, Turner, White, Wright.

The motion that the rules be suspended to allow amendments filed today to be considered was adopted.

Speaker Kenton resumed the Chair.

Representative B. Richardson moved that **HB 968,** by way of Committee Substitute as amended, be passed.

Representative Donnermeyer moved the adoption of Floor Amendment No. 5 to **HB 968.**

Representative Deskins inquired as to whether Floor Amendment No. 5 was germane to the issue.

The Speaker ruled Floor Amendment No. 5 was not germane to the Committee Substitute to **HB 968.**

Representative Jones moved the adoption of the Floor Amendment No. 7 to the Committee Substitute to **HB 968.**

On the roll call the vote was yeas 41-Adams, Allen, Arnold, Boswell, Brinkley, Bruce, Burnette, Caldwell, Craddock, Crupper, Cyrus, Dawahare, Ellington, Farrow, Foster, Fryman, Haering, Holbrook, Johnson, Jones, Layman, LeMaster, Lundergan, May, McBee, McKinney, McNutt, Patrick, Pearman, Plummer, Rattliff, Richards, Riner, Robinson, Stone, Thomas, Thomason, Tobin, Van Horn, Worthington, Wright. Nays 34-Barrows, Bendl, Bennett, Brown, Burch, Cawood, Clark, Clarke, Curd, Davenport, DeMarcus, Deskins, Hancock, Head, Heleringer, Hines, Isler, Lewis, Little, Maynard, Moberly, Morris, Nett, Noe, O'Brien, Priddy, Rapier, Sale, Schmidt, Smith, Stumbo, White, Wilborn, Yates.

Floor Amendment No. 7 to the Committee Substitute to **HB 968** was adopted.

Representative Worthington moved the adoption of the Floor Amendment NO. 8 to the Committee Substitute to **HB 968.**

On the roll call the vote was yeas 49-Adams, Allen, Barrows, Blandford, Boswell, Brinkley, Brown, Bruce, Caldwell, Craddock, Crupper, Curd, Cyrus, Davenport, DeMarcus, Farrow, Foster, Freibert, Gray, Heleringer, Jones, Layman, LeMaster, List, Lundergan, May, McBee, McKinney, Moberly, Morris, Noe, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Reynolds, Richards, P. Richardson, Sale, Stone, Thomas, Tobin, Van Horn, Weinberg, White, Wilborn, Worthington. Nays 18-Bendl, Bennett, Cawood, Clark, Clarke, Deskins, Hancock, Head, Hines, Isler, Johnson, Lewis, O'Brien, Priddy, Schmidt, Stumbo, Thomason, Wright.

Floor Amendment NO. 8 to the Committee Substitute to **HB 968** was adopted.

Representative Worthington moved the adoption of the Floor Amendment NO. 9 to the Committee Substitute to **HB 968.** Agreed.

Representative Donnermeyer moved the adoption of the Floor Amendment NO. 10 to the Committee Substitute to **HB 968.**

Representative Overstret moved that a fiscal analysis be attached to **HB 968.**

On the roll call the vote was yeas 32-Adams, Allen, Blair, Burnette, Caldwell, Clark, Clarke, Davenport, DeFalaise, Deskins, Farrow, Foster, Freibert, Haering, Holbrook, Johnson, Layman, Lewis, List, McNutt, Overstreet, Patrick, Plummer, Rattliff, Robinson, Sale, Schmidt, Smith, White, Wilborn; Wright, Yates. Nays 50-Bennett, Blandford, Boswell, Brinkley, Bruce, Cawood, Clapp, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Fryman, Gray, Hancock, Heleringer, Hines, Isler, Kenton, Little, Lundergan, Mann, May, Maynard, McBee, Moberly, Noe, Pearman, Petty, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, Williams, Worthington.

The motion that a fiscal analysis be attached to **HB 968** was rejected.

On the roll call the vote was yeas 48-Allen, Bennett, Blandford, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Craddock, Crupper, Curd, Cyrus, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Heleringer, Holbrook, Isler, Kenton, Layman, Lundergan, Mann, Maynard, McBee, Morris, O'Brien, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, Riner, Robinson, Romines, Stone, Thomas, Tobin, Van Horn, White, Williams, Worthington, Yates. Nays 31-Adams, Barrows, Blair, Cawood, Clark, Clarke, Davenport, Deskins, Farrow, Foster, Freibert, Guenthner, Hancock, Head, Hines, Johnson, LeMaster, Lewis, List, Little, McKinney, McNutt, Moberly, Overstreet, Sale, Smith, Stumbo, Thomason, Turner, Wilborn, Wright.

Floor Amendment No. 10 to the Committee Substitute to **HB 968** was adopted.

Representative B. Richardson moved that **HB 968,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 64-Adams, Barrows, Bendl, Brinkley, Bronger, Brown, Bruce, Burch, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Ellington, Foster, Hancock, Head, Heleringer, Hines, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Schmidt, Stone, Stumbo, Thomas, Thomason, Tobin, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 31-Allen, Arnold, Bennett, Blair, Blandford, Boswell, Burnette, Caldwell, Davenport, Dunn, Farrow, Freibert, Fryman, Gray, Guenthner, Haering, Holbrook, Johnson, Layman, List, McNutt, Patrick, Plummer, Rattliff, Riner, Robinson, Smith, Turner, Van Horn, White, Wright.

HB 968, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 968,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 532, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clapp moved that the rules be suspended to allow consideration of amendments filed today.

On the roll call the vote was yeas 50-Adams, Allen, Arnold, Bendl, Bruce, Burch, Burnette, Clapp, Craddock, Crupper, Curd, Davenport, DeFalaise, Foster, Freibert, Guenthner, Hancock, Heleringer, Holbrook, Holloway, Jones, Kenton, Layman, List, Lundergan, May, Maynard, McBee, McNutt, Morris, O'Brien, Pearman, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Schmidt, Thomas, Thomason, Tobin, Turner, White, Wilborn, Worthington. Nays 36-Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Caldwell, Cawood, Clark, Cyrus, Dawahare, Deskins, Dunn, Ellington, Gray, Head, Isler, Johnson, Lewis, Little, Moberly, Noe, Overstreet, Patrick, Priddy, Reynolds, Romines, Smith, Stone, Stumbo, Van Horn, Weinberg, Williams, Wright, Yates.

The motion that the rules be suspended to allow consideration of amendments filed today was rejected.

Representative Clapp moved that **HB 532** be laid on the Clerk's desk.

Representative Deskins moved that **HB 532** be laid on the table.

On the roll call the vote was yeas 32-Bennett, Boswell, Brinkley, Bronger, Burch, Cawood, Clark, Cyrus, Dawahare, Deskins, Dunn, Farrow, Gray, Haering, Head, Isler, Lewis, Little, Moberly, Nett, Noe, Priddy, Reynolds, Romines, Smith, Stone, Stumbo, Van Horn, Weinberg, Williams, Wright, Yates. Nays 57-Adams, Allen, Arnold, Barrows, Bendl, Blair, Bruce, Burnette, Caldwell, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Foster, Freibert, Guenthner, Hancock, Heleringer, Hines, Holbrook, Holloway, Jones, Kenton, Layman, LeMaster, List, Lundergan, May, Maynard, McBee, McNutt, Morris, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Thomas, Thomason, Tobin, Turner, White, Wilborn, Worthington.

The motion that **HB 532** be laid on the table was rejected.

On the roll call the vote was yeas 79-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blandford, Boswell, Brinkley, Bruce, Burch, Burnette, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawhare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Rattliff, Reynolds, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Weinberg, White, Wilborn, Wright. Nays 13-Bennett, Bronger, Caldwell, Cyrus, Dunn, Gray, Heleringer, Jones, Priddy, Romines, Van Horn, Worthington, Yates.

The motion that **HB 532** be laid on the Clerk's desk was adopted.

Representative B. Richardson moved that the rules be suspended to allow the posting requirement to be waived on **SB 332, SB 245, SB 381** and **HB 937.** Agreed.

Recess

Representative B. Richardson moved that the House recess for thirty minutes.

On the roll call the vote was yeas 34-Barrows, Bennett, Bruce, Cawood, Crupper, Curd, Davenport, DeMarcus, Donnermeyer, Farrow, Freibert, Hancock, Head, Isler, Jones, Kenton, Lundergan, Mann, McBee, Nett, Noe, Petty, Priddy, Reynolds, Richards, B. Richardson, P. Richardson, Smith, Turner, Van Horn, Weinberg, White, Wilborn, Williams. Nays 4-Holbrook, Lewis, Overstreet, Stumbo.

The motion that the House recess for thirty minutes was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Senate Message

Announcing passage of **SB 242, SB 297, SB 329, SB 334, SB 361, HB 62** with Senate Amendment, **HB 66** with Senate Amendments, **HB 50, HB 144, HB 233, HB 229, HB 330, HB 375, HB 430, HB 467, HB 513, HB 517, HB 540, HB 603, HB 663,** and **HJR 24.**

Orders of the Day (continued)

Representative B. Richardson moved that **HB 669** be recommitted to the Committee on Banking and Insurance. Agreed.

Speaker Pro Tempore presiding.

HB 849 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Van Horn moved that **HB 849** be passed.

On the roll call the vote was yeas 77-Adams, Allen, Arnold, Bendl, Bennett, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, LeMaster, Lewis, List, Little, Lundergan, May, McBee, McNutt, Moberly, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 0.

HB 849 was passed and the title agreed to.

Representative Van Horn moved that the vote by which **HB 849** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 445 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 445** be passed.

On the roll call the vote was yeas 72-Adams, Allen, Barrows, Bendl, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Noe, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 0.

HB 445 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 445** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 892, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Amendment No. 1 to **HB 892.** Agreed.

Representative B. Richardson moved that **HB 892,** as amended, be passed.

On the roll call the vote was yeas 64-Adams, Arnold, Barrows, Bendl, Blandford, Boswell, Bronger, Bruce, Caldwell, Cawood, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, List, Little, Lundergan, May, McBee, McNutt, Morris, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Wright, Yates. Nays 13-Allen, Brinkley, Burnette, Haering, Head, Johnson, LeMaster, Lewis, McKinney, Moberly, Robinson, White, Worthington.

HB 892, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 892,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

A discharge petition was filed on **SR 9.**

A discharge petition was filed on **HB 388.**

HB 692 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 692** be passed.

On the roll call the vote was yeas 76-Adams, Allen, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, LeMaster, Lewis, List, Lundergan, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 3-Clarke, DeMarcus, Rattliff.

HB 692 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 692** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 959 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holbrook moved that **HB 959** be passed.

On the roll call the vote was yeas 76-Allen, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, Morris, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Wilborn, Wright, Yates. Nays 9-Barrows, Fryman, Heleringer, Moberly, Noe, Robinson, Weinberg, White, Worthington.

HB 959 was passed and the title agreed to.

Representative Holbrook moved that the vote by which **HB 959** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 6, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Worthington moved the adoption of the Committee Amendment No. 1 to **HCR 6.** Agreed.

Representative Worthington moved that **HCR 6,** as amended, be passed.

On the roll call the vote was yeas 81-Adams, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Farrow, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, LeMaster, Lewis, List, Little, Lundergan, May, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 0.

HCR 6 was passed.

Representative Worthington moved the adoption of the Committee Title Amendment to **HCR 6.** AGreed.

Representative Worthington moved that the vote by which **HCR 6,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 105 taken from Orders of the Day and ordered read at length for the third time. Representative May moved that it be read by title only and placed upon its passage. AGreed by a majority of members elected.

Representative Little moved that **HCR 105** be passed.

On the roll call the vote was yeas 77-Adams, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 0.

HCR 105 was passed and the title agreed to.

Representative Little moved that the vote by which **HCR 105** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 106 taken from Orders of the Day and ordered read at length for the third time. Representative May moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Little moved that **HCR 106** be passed.

On the roll call the vote was yeas 73-Adams, Allen, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, LeMaster, Lewis, List, Little, Lundergan, May, McBee, McKinney, McNutt, Morris, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 0.

HCR 106 was passed and the title agreed to.

Representative Little moved that the vote by which **HCR 106** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 245, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative May moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Worthington moved the adoption of the Committee Amendment No. 1 to **HB 245.** Agreed.

Representative Worthington moved that **HB 245,** as amended, be passed.

On the roll call the vote was yeas 83-Allen, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 0.

HB 245, as amended, was passed and the title agreed to.

Representative Worthington moved that the vote by which **HB 245,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 672, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative May moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Barrows moved the adoption of the Committee Substitute to **HB 672.** Agreed.

Representative Barrows moved that **HB 672,** by way of Committee Substitute, be passed.

Representative Patrick moved that **HB 672** be laid on the table.

On the roll call the vote was yeas 30-Allen, Bennett, Boswell, Bruce, Burnette, Clapp, Clark, Curd, Cyrus, Dawahare, DeMarcus, Dunn, Fryman, Guenthner, Holbrook, Holloway, Isler, Jones, Lewis, McBee, Patrick, Pearman, P. Richardson, Riner, Robinson, Turner, Van Horn, White, Wright, Yates. Nays 46-Adams, Arnold, Barrows, Bendl, Brown, Caldwell, Cawood, Clarke, Craddock, Crupper, Davenport, DeFalaise, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Haering, Heleringer, Hines, Johnson, Kidd, LeMaster, List, Lundergan, Mann, McNutt, Moberly, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Reynolds, B. Richardson, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Weinberg, Wilborn.

The motion that **HB 672** be laid on the table was rejected.

Representative Overstreet moved that **HB 672** be laid on the Clerk's desk.

On the roll call the vote was yeas 32-Blandford, Boswell, Brinkley, Bronger, Burnette, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Deskins, Farrow, Fryman, Haering, Isler, Jones, McBee, McNutt, Morris, Nett, Overstreet, Pearman, Petty, Richards, Riner, Robinson, Schmidt, Thomas, Tobin, Wright. Nays 44-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Bruce, Caldwell, Cawood, Clarke, Craddock, Davenport, Donnermeyer, Dunn, Foster, Freibert, Gray, Heleringer, Hines, Holbrook, Johnson, Kidd, LeMaster, Lewis, List, Lundergan, Moberly, Noe, O'Brien, Patrick, Plummer, Priddy, Rapier, Romines, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Yates.

The motion that **HB 672** be laid on the Clerk's desk was rejected.

On the roll call the vote was yeas 40-Arnold, Barrows, Bendl, Bronger, Brown, Caldwell, Cawood, Clarke, Craddock, Crupper, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Farrow, Foster, Hancock, Heleringer, Hines, Holbrook, Johnson, Kidd, LeMaster, Lewis, Lundergan, Mann, Moberly, Noe, Plummer, Priddy, Rapier, B. Richardson, Smith, Stone, Stumbo, Thomas, Thomason, Weinberg, Wilborn. Nays 42-Adams, Allen, Bennett, Blandford, Boswell, Brinkley, Bruce, Burch, Burnette, Clapp, Clark, Curd, DeFalaise, Dunn, Fryman, Gray, Guenthner, Haering, Head, Holloway, Isler, Jones, Kenton, McBee, Morris, Nett, O'Brien, Overstreet, Patrick, Pearman, Richards, P. Richardson, Riner, Robinson, Romines, Schmidt, Tobin, Turner, Van Horn, White, Wright, Yates.

HB 672, by way of Committee Substitute, was defeated.

Representative Blandford moved that the vote by which **HB 863** was tabled be reconsidered.

On the roll call the vote was yeas 57-Adams, Arnold, Bendl, Bennett, Blandford, Boswell, Bronger, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Donnermeyer, Dunn, Foster, Freibert, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Little, Lundergan, Mann, May, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Priddy, Richards, Riner, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Yates. Nays 19-Allen, Burnette, Crupper, Davenport, Dawahare, DeMarcus, Farrow, Fryman, Gray, Lewis, McBee, McNutt, Patrick, Petty, Rapier, Rattliff, P. Richardson, Robinson, Schmidt.

The motion that the vote by which **HB 863** was tabled be reconsidered was adopted.

Representative B. Richardson moved that consideration of all Bills and Resolutions remaining in Orders of the Day be deferred and that they retain their position. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so until 11 a.m., Tuesday, March 25, 1980. Agreed.

Representative B. Richardson moved that the rules be suspended for Introduction of Resolutions and Report of Committees. Agreed.

Introduction of Resolutions

HR 128, by Representative Bennett: A RESOLUTION directing the Kentucky Department of Agriculture to conduct a study of ginseng.

HR 129, by Representative Wilborn: A RESOLUTION honoring Edward F. Prichard, Jr. for his service to the Kentucky Council on Higher Education.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Elections and Constitutional Amendments: **SB 186.**

Judiciary: **SB 371.**

State Government: **SB 376.**

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Natural Resources and Environment: **SB 315.**

Cities: **SB 311, SB 338, SB 347.**

Health and Welfare: **SB 37, SB 282.**

Appropriations and Revenue: **SB 139, SB 181, SB 76, SR 44.**

Transportation: **SB 332, SB 381.**

State Government: **SB 245.**

Labor and Industry: **SB 296.**

Counties and Special Districts: **SB 278, SB 390.**

Report of Committees

The Committee on Cities reported **SB 253, SB 285, SB 321,** and **SB 153** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 253, AN ACT relating to borrowing by urban-county governments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 67A IS HEREBY CREATED TO READ AS FOLLOWS:

An urban-county government may borrow, during any fiscal year, within the limits of the taxes, revenues, receipts and appropriations for that year as prescribed by law, such funds as are needed for the conduct of the business of the urban-county government in that year pending the full collection of taxes, revenues and receipts for such fiscal year.

SB 285, AN ACT relating to building codes adopted by cities of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 198B.060 is amended to read as follows:

(1) Each local government in the state of Kentucky shall employ a building official or inspector and other code enforcement personnel as necessary, or shall contract for such services in accordance with subsections (7) and (9) of this section to enforce the uniform state building code within the boundaries of its jurisdiction, and shall neither adopt nor enforce any other ordinance regulating buildings which conflicts with the uniform state building code, except that a building code adopted by a local government prior to March 28, 1978 may continue in effect until such time as the uniform state building code becomes mandatory within that local government jurisdiction. *No ordinance adopted by any city of the first class or any county containing a city of the first class which imposes a more stringent building standard than is imposed by the state building code or which imposes a standard where no standard is provided by the state building code shall be deemed to conflict with the uniform state building code.*

(2) Local governments shall be responsible for the examination and approval or disapproval of plans and specifications for buildings of no more than three (3) stories in height, exclusive of attic and basement, which do not contain more than 20,000 square feet of floor area, and are not intended for assembly, educational, institutional or high hazard occupancy, business or industrial occupancy in excess of 100 persons, or for use as a frozen food locker plant as defined in KRS 221.010. Local governments shall be responsible for the issuance and revocation of building permits, licenses, certificates and similar documents which cover activities within their area of responsibility, and the inspection of all buildings pursuant to the provisions of this chapter and the uniform state building code. Each local government issuing a building or demolition permit or an initial certificate of occupancy on a new structure shall send a copy of such permit or certificate to the commissioner for his use in maintaining an accurate housing inventory for Kentucky.

(3) Urban-county governments may determine service districts within their boundaries within which farm dwellings and other farm buildings, not used in the business of retail trade or as a place of regular employment for ten (10) or more people, shall be exempt from the requirements of the uniform state building code. Such determination may be reviewed and altered by the board.

(4) The department shall be responsible for the examination and approval or disapproval of plans and specifications for all buildings which are not the responsibility of local governments. The department may issue and revoke permits, licenses, certificates and similar documents within its area of responsibility, and shall have concurrent jurisdiction with local governments for the inspection of all buildings pursuant to the provisions of this chapter and the uniform state building code. If the commissioner determines that the local jurisdiction is not adequately performing any portion of its program, he may recommend to the board that the department preempt that portion of a local program. The commissioner shall explain his reasons for preemption in writing and provide a copy to the board and the local jurisdiction. The local jurisdiction may appeal the recommended preemption directly to the board, and the board shall review such appeal according to the procedures found in subsections (8) through (12) of KRS 198B.070. No preemption by the department shall take place until the final decision of the board. If the department preempts any portion of a local program, it shall collect the fees applicable to that portion of the program.

(5) Any local government may petition the commissioner requesting that additional plan review functions be allocated to that local government. Such petition shall include evidence of the local government's capability to perform additional plan review functions. The commissioner, after review of the petition and supporting evidence, may grant or deny to the local government any part of a request for additional responsibility. If the commissioner denies any part of a petition, he shall explain his reasons for denial in writing, and provide a copy to the board and the local government. A local government may appeal such denial directly to the board, and the board shall review such appeal according to the procedures found in subsections (8) through (12) of KRS 198B.070. Should the local government be granted additional responsibility by the

commissioner or the board, the department shall hold concurrent jurisdiction over such additional responsibility, but the local government shall collect any fees for functions it performs pursuant to such additional responsibility.

(6) The commissioner shall expedite the review of plans and specifications by assigning responsibilities and coordinating review activities among the department's various functional offices so as to prevent unnecessary duplication in the review of plans and specifications.

(7) Upon the effective date of the uniform state building code, no building shall be constructed in this state until a local building official and an official representing the department, if the department has jurisdiction, issue a permit for such construction. The local building official or the representative of the department shall issue a permit if the proposed building satisfies the requirements of the uniform state building code and if the party desiring to construct the building has complied with all other legal requirements concerning the location and construction of said building. The applicant for a building permit, by the act of applying for the permit, is deemed to have consented to inspection, by the local government or the department, of such building during construction and upon the completion of construction for the purpose of determining that such building is constructed in compliance with the uniform state building code. This section shall apply to industrialized building systems but destructive disassembly of industrialized building systems which carry a seal of approval pursuant to a manufactured building law in the state in which they were manufactured, which seal of approval is accepted by the board of housing, buildings and construction, shall not be performed in order to conduct such tests or inspections.

(8) No building on which construction was begun nor any industrialized building system on which site preparation and assembly were begun after the uniform state building code became effective shall be occupied until the local building official or a representative of the department issues a certificate of occupancy certifying that the building was constructed in conformance with the standards of the uniform state building code, or assembled or installed in conformance with applicable instructions.

(9) A local government may associate with other local governments, and may seek the technical assistance of other agencies or area development districts in order to provide for the local enforcement of the uniform state building code.

(10) Each local government and the department may establish a schedule of fees for the functions performed under the provisions of this chapter. Such fees shall be designed to fully cover the cost of the service performed but shall in no case exceed the cost of the service performed. Fees payable to the department shall be paid into the state treasury and credited to a trust and agency fund to be used by the department in carrying out the provisions of this chapter. No part of this fund shall revert to the general fund of the Commonwealth.

SB 321, AN ACT relating to local option.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 242.190 is amended to read as follows:

(1) When a majority of the votes cast at *a local option* [an] election are in favor of prohibition in the territory, prohibition shall be in force and effect at the expiration of sixty (60) days from the date of the entry of the certificate of the county board of election commissioners in the order book of the county judge/executive.

(2) Upon the annexation of any local option territory by a city, either before the effective date of this Act or subsequent thereto, the annexed territory shall assume the same local option status as the local option status of the annexing city. Nothing in this Act shall impair the right of any precinct in the annexed territory to determine its own status with respect to the legal sales of alcoholic beverages in accordance with the provisions of KRS Chapter 242.

SB 153, AN ACT relating to the board of housing, buildings, and construction.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 198B.020 is amended to read as follows:

(1) There is hereby created the Kentucky board of housing, buildings and construction within the Kentucky department of housing, buildings and construction comprised of *nineteen (19)* [eighteen (18)] members to include: the commissioner of the department, one (1) local government fire chief selected by the governor from a list of three (3) submitted by the Kentucky Firemen's Association; the executive director of the

Kentucky housing corporation; the commissioner of the bureau of health services, department for human resources; the attorney general or any assistant attorney general he may designate to represent the interests of consumers; one (1) professional homebuilder selected by the governor from a list of three (3) submitted by the Home Builders Association of Kentucky; one registered architect selected by the governor from a list of three (3) submitted by the Kentucky Society of Architects; one (1) registered structural engineer selected by the governor from a list of three (3) submitted by the Kentucky Society of Professional Engineers; one (1) registered mechanical engineer selected by the governor from a list of three (3) submitted by the Kentucky Society of Professional Engineers; one (1) registered electrical engineer selected by the governor from a list of three (3) submitted by the Kentucky Society of Professional Engineers: one (1) citizen member selected by the governor to represent the interests of low and moderate income housing consumers within the commonwealth of Kentucky; one (1) citizen member at large; one (1) practicing general contractor selected by the governor from a list of three (3) submitted by the Kentucky Association of General Contractors; one (1) practicing code administrator selected by the governor from a list of three (3) submitted by the Codes Administrators Association of Kentucky; one (1) realtor selected by the governor from a list of three (3) submitted by the Kentucky Association of Realtors; one (1) member selected by the governor from a list of three (3) submitted by the Kentucky State Building Trades Council; one (1) member selected by the governor from a list of three (3) submitted by the Kentucky Association of Plumbing, Heating and Cooling Contractors; [and] one (1) member selected by the governor from a list of three (3) submitted by the Mechanical Contractors Association*; and one (1) electrical contractor member selected by the governor from a list of three (3) submitted by the National Electrical Contractors Association.*

[(2) Nominations to the board shall be made to the governor by July 1, 1978. The governor shall make appointments to the board by July 31, 1978.]

(2)[(3)] Except for the commissioner of the department, the commissioner of the bureau of health services, the executive director of the Kentucky housing corporation and the attorney general or his designate who shall serve on the board during the term of their existing office and shall be voting members, board members shall be appointed for four (4) year terms, except that initially four (4) shall be appointed for two (2) year terms, four (4) shall be appointed for three (3) year terms, and six (6) shall be appointed for four (4) year terms. No board member shall be appointed for more than one successive term except as provided in subsection (4) of this section. The governor shall, within the limitations of this subsection, set the length of term of each of the initial appointees to the board.

(3)[(4)] Vacancies occurring on the board among those members appointed by the governor shall be filled by seeking nominations as in subsection (1) of this section from the organization which originally nominated the member who is to be replaced. A replacement for a board member shall be appointed immediately upon the expiration of the departing board member's term of service. Should a board member vacate his position on the board prior to the expiration of his term, his replacement shall be appointed for the period of the unexpired term. Should the unexpired term be less than two (2) years, the person selected to fill the unexpired term may subsequently be appointed to one (1) successive four (4) year term.

(4)[(5)] Members may be removed from the board by the governor for unethical conduct or for failure to attend three (3) or more successive meetings of the board without reasonable cause.

(5)[(6)] The board shall meet at least quarterly, and the first meeting shall occur no later than August 31, 1978. Before assuming their duties, members of the board shall take an oath as specified in Section 228 of the Constitution of Kentucky.

(6)[(7)] The commissioner of the department shall serve as chairman of the board. The board may elect from its members other officers as are required to conduct its business, except that neither the commissioner of the bureau of health services, the executive director of the Kentucky housing corporation nor the attorney general or his designate shall be elected to office on the board.

(7)[(8)] The board may adopt such rules, regulations and by-laws as are necessary to conduct its internal business.

(8)[(9)] No member of the board may vote on any matter which will result in his direct or indirect financial gain.

(9)[(10)] Those members of the board who are not salaried governmental employes shall be compensated for their time when attending board meetings or attending to official duties as directed by the board at the rate of fifty dollars ($50) per day. All board members shall be compensated for expenses incurred in the conduct of board business.

The Committee on Transportation reported **HB 565, HB 806,** and **HB 826** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 565, AN ACT relating to the Kentucky State Police.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 16 IS CREATED TO READ AS FOLLOWS:

Any state police officer who is injured in the performance of a hazardous duty in the course of his employment with the bureau shall not have the absences required by his injury charged against his accumulated annual sick leave.

HB 806, AN ACT relating to recyclers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 177.905 is amended to read as follows:

As used in KRS 177.905 to 177.950, unless the context otherwise requires:

(1) "Road" means any county, state, federal or limited access highway or turnpike, including bridges and bridge approaches.

(2) "Automobile, vehicle or machinery recyclers" means any *business* [place] where *ten (10)* [five (5)] or more junked, wrecked or non-operative automobiles, vehicles, machines and other similar scrap or salvage materials are deposited, parked, placed or otherwise located.

(3) "Material recyclers" shall mean any establishment or place of business, including garbage dumps and sanitary fills, maintained, operated, or used for storing, keeping, buying or selling of old or scrap copper, brass, rope, rags, batteries, paper, trash, rubber debris, waste, or motor vehicle parts, iron, steel, and other old or scrap ferrous or nonferrous material.

(4) "Operator or operators" means a person, firm or corporation operating an automobile, vehicle, machinery or material recycling establishment or place of business or the allowing of such automobile, vehicle, machinery or material recycling establishment or place of business to be placed or deposited, or to remain on premises owned or controlled by such person, firm or corporation.

(5) "Person" means any individual, firm, agency, company, association, partnership, business trust, joint stock company, body politic or corporation.

(6) "Bureau" means the bureau of highways.

(7) "Commissioner" means the commissioner of the bureau of highways.

Section 2. KRS 177.910 is amended to read as follows:

No person shall operate or cause to be operated any automobile, vehicle, machinery or material recycling [establishment or place of] business which is situated closer than 1,000 feet from the right-of-way line of any road unless a permit for such operation shall have been obtained from the bureau. The operation of any automobile, vehicle, machinery or material recycling [establishment or place of] business so situated without a permit is hereby declared to be a public nuisance.

Section 3. KRS 177.912 is amended to read as follows:

An automobile, vehicle, [or] machinery [recycling establishment or place of business] or material recycling [establishment or place of] business which complies as a conforming use in an industrially zoned area under the applicable zoning ordinances and regulations of any county or city, as determined in the discretion of the commissioner of highways, shall not be deemed to be in violation of KRS 177.905 to 177.950.

Section 4. KRS 177.915 is amended to read as follows:

The permit required by KRS 177.910 shall be issued in accordance with the rules and regulations of the bureau, promulgated pursuant to the provisions of KRS 177.905 to 177.950, when it is shown to the satisfaction of the commissioner that an automobile, vehicle, machinery or material recycling [establishment or place of] business located closer than 1,000 feet from the right-of-way line of any road is[, so far as deemed practical by the commissioner,] hidden from the view of motorists using such road by an artificial or natural screen, or is by virtue of natural topography so hidden. The screening required in this section may be effected by the construction of a fence *not less than six (6) feet or more than twelve (12) feet high*, or by planting shrubs, trees, or flowering plants, the foliage of which provides a sufficient screen or by making use of foliage already in existence. Any automobile, vehicle, machinery or material recycling [establishment or place of] business that cannot as a practical matter be screened, shall be required to be removed.

Section 5. KRS 177.935 is amended to read as follows:

The bureau is hereby empowered to:

(1) Exercise general supervision of the administration and enforcement of KRS 177.905 to 177.950.

(2) Adopt, after hearing, such rules and regulations pertaining to the operation of automobile, vehicle, machinery or material recycling [establishments or places of] business as the commissioner may deem necessary to the administration and enforcement of KRS 177.905 to 177.950.

(3) *All automobile, vehicle, machinery and material recycling businesses shall be notified fifteen (15) days in advance of hearings required under Section 2 of this Act.*

(4) [Adopt, without hearing, rules and regulations with respect to the sufficiency, type of material or foliage, height, density and size of screening required by KRS 177.915 to insure the accomplishment of the purposes of KRS 177.905 to 177.950.

(4) Adopt, without hearing, rules and regulations with respect to the procedural aspects of hearings, the filing of reports and orders, the issuance of permits and other matters.

(5)] Issue, after hearing, orders abating the operation of an automobile, vehicle, machinery or material recycling establishments or places of business in violation of the provisions of KRS 177.905 to 177.950, or requiring the adoption of remedial measures including the construction or planting of screens or the utilization of natural screening, extension, modification or addition to new or existing screens.

(5)[(6) Issue, continue in effect, revoke, modify or deny under such conditions as the bureau may prescribe permits for the operation of an automobile, vehicle, machinery or material recycling establishments or places of business.

(7) Make investigations or inspections which may be deemed necessary by the commissioner to insure compliance with the provisions of KRS 177.905 to 177.950, or with any rules, regulations or orders of the department which may be deemed necessary to enable the bureau to administer and enforce the provisions of KRS 177.905 to 177.950.

(8)] Institute in a court of competent jurisdiction procedures, including injunctive relief, to compel compliance with the provisions of KRS 177.905 to 177.950 and with the orders, rules and regulations issued pursuant thereto.

[(9) Enter at any reasonable time through any office-, assistant, agent or employe in or upon any public or private property for the purpose of investigation and inspection of conditions relating to the operation of any automobile, vehicle, machinery or material recycling establishments or places of business.

(10) Perform such other and further acts as may be necessary, proper or desirable in order to carry out effectively the duties and responsibilities of the bureau prescribed in KRS 177.905 to 177.950.]

Section 6. KRS 177.940 is amended to read as follows:

(1) Public hearings shall be conducted by the bureau prior to the adoption of any rules or regulations which pertain to the prevention, abatement or control of automobile, vehicle, machinery or material recycling *businesses* [establishments or places of business] or before the issuance of any order prohibiting the performance by any person of any act or acts deemed to be in contravention of any rules, regulations, orders or permits of the bureau; or before denial, revocation or modification of any permit provided for by KRS 177.905 to 177.950; or before any other final determination is made by the bureau which directly affects the activities of any person.

(2) The bureau shall grant a hearing to any person, not previously heard in connection with the issuance of any order or the making of any determination, who may consider himself aggrieved by any such order or determination and who shall file with the bureau a verified petition alleging that such order or determination is contrary to law or that is injurious to him, stating the grounds and reasons therefor and requesting a hearing thereon. At such hearing the petitioner may appear in person or by attorney, may present his side and may submit evidence, and shall be given full opportunity to be heard.

(3) The hearings provided for in KRS 177.905 to 177.950 may be conducted by the commissioner, deputy commissioner or any highway official designated by the commissioner in the name of the bureau at a time and place specified by the commissioner.

HB 826, AN ACT relating to roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 177.020 is amended to read as follows:

(1) The state primary road system shall consist of such public roads and city streets within the state as the bureau of highways determines shall be established, constructed or maintained by the bureau of highways.

(2) The bureau shall, in its discretion, determine which public roads, or city streets, shall be established, constructed or maintained by it, and shall determine the type of construction or maintenance for that road or city street.

(3) In the establishment of the state primary road system, the bureau of highways is authorized to select new routes, deviate from an existing route whenever it deems such deviation proper, eliminate from the state primary system roads or city streets which have been replaced as proper part of the system by the construction of a new facility or the selection of a new route. No permanent ingress or egress ramp of the state primary road system on fully controlled access facilities shall be closed, except for repairs, unless a public hearing is first held in the area to be affected by the closing. The bureau of highways shall at least

twenty days before the hearing, advertise in a newspaper of general circulation in the area to be affected by the closing, the date, time and place of the hearing.

(4) *The bureau shall notify the fiscal court of the county at least four (4) months before it eliminates a road, road segment, bridge or street in that county from the state primary road system. Upon receiving notice, the fiscal court shall notify the public, hold hearings, and determine whether to establish the road, road segment, bridge or street as a county road, bridge or street as the case may be. If so established, the road, road segment, street or bridge shall be transferred to the county. If the fiscal court declines, then the bureau shall maintain said road as part of the state primary road system and continue with maintenance responsibility on said road.*

(5) The establishment, construction or maintenance of the state primary road system shall be under the direction and control of the bureau of highways. The commissioner of highways is authorized to adopt regulations necessary to the administration of this authority.

The Committee on Health and Welfare reported **SB 114,** with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 114, AN ACT relating to physicians' assistants.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

As used in this Act:

(1) "Board" means the state board of medical licensure;

(2) "Physician's assistant" means a skilled person qualified by academic and clinical training who provides patient care services and other assistance to a physician's practice and under the supervision and direction of a licensed physician who is responsible for the performance of the assistant who possesses a certificate issued by the board;

(3) "Approved program" means a program for the education and training of physician's assistants that has been approved or has received preliminary approval by the American medical association committee on allied health education and accreditation;

(4) "Supervision" means the overseeing or participation in the work of another where all of the following are present:

(a) The continuous availability of direct communications either in person or by radio or by telephone between the physician's assistant and the licensed physician;

(b) The approval of the board of medical licensure with regard to the specific geographical areas within which the respective physicians' assistants may function, with the board giving due consideration to counties having critical need. Such areas of critical need shall be designated annually by the board with the advice and recommendation of the advisory council;

(c) The formal establishment by the supervising licensed physician of predetermined procedures consistent with guidelines approved by the board; and

(d) There are no more than two (2) physician's assistants under the supervision of any one (1) licensed physician, except those in training in an accredited institution.

SECTION 2. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

The board shall establish, with recommendations from the advisory council, rules and regulations, not inconsistent with this Act or any other provisions of the Kentucky Revised Statutes, for the certification and practice standards of physician's assistants, and shall issue certificates to physician's assistants meeting the established standards for certification. The board shall have the right to suspend or revoke a certificate when, with the recommendation of the advisory council, a physician's assistant fails to maintain the established standards for certification or is in violation of the rules and regulations established by the board. The rules and regulations shall include, but not be limited to, the following:

(a) The physician's assistant shall be supervised by, and responsible to, a practicing physician licensed in accordance with the provision of KRS Chapter 311;

(b) The physician's assistant shall be deemed not to be supervised in a facility in which the physician's assistant is the sole provider of patient care services;

(c) The services rendered by a physician's assistant shall be limited to the same area or field of practice for which the supervising physician is qualified;

(d) The licensed physician seeking to supervise a physician's assistant shall apply to and be approved to do so by the board;

(e) The physician's assistant shall have successfully completed an approved program and have successfully completed the proficiency examination which is offered by the national commission on certification of physician's assistants;

(f) The rules and regulations regarding the certification of physician's assistants shall be designed to determine that each physician's assistant has the necessary knowledge and skill to perform the duties assigned him in a safe and competent manner;

(g) The board may conduct any investigation necessary to determine the eligibility of an applicant for certification. An applicant and his supervising physician may be required to furnish additional documentation and information upon determination by the board that such documentation or information is necessary to evaluate the applicant's qualification;

(h) The board may promulgate regulations to assess the continued competence of a physician's assistant;

(i) The board shall establish reciprocity agreements with other states for the certification of physician's assistants who are certified in other states when the standards of those states exceed or are equivalent to those established by the board; and

(j) The board may, by regulation, prescribe a reasonable schedule of fees for examinations for the issuance of certificates and for the renewal of certificates. All fees, charges, or other moneys collected by the board shall be paid into the state treasury and credited to a trust and agency fund of the board.

SECTION 3. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Physicians' assistants shall be prohibited from administering anesthesia except that physicians' assistants shall not be prohibited from administering local infiltration anesthesia or sedation as prescribed by a licensed physician or licensed dentist.

SECTION 4. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

A person shall not perform the duties of a physician's assistant, hold himself out as a physician's assistant, or use a title or designation indicating he or she is a physician's assistant except as authorized by this Act and the rules and regulations promulgated pursuant to this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) There is established an advisory council which shall advise the board on administrative regulations pertaining to the roles, functions and certification of the physician's assistant. The council shall consist of nine (9) members appointed by the governor to four (4) year terms, except that initial terms shall be appointed as follows: three (3) for a term of one (1) year; two (2) for a term of two (2) years; two (2) for a term of three (3) years; and two (2) for a term of four (4) years.

(2) Membership of the council shall include three (3) licensed and practicing physicians, one (1) of whom employs a physician's assistant, appointed from a list of three (3) names for each position submitted by the Kentucky medical association, one (1) hospital administrator appointed from a list of three (3) names submitted by the Kentucky hospital association, one (1) representative of health care facilities appointed from a list of three (3) names submitted by the Kentucky association of health care facilities, three (3) physician's assistants appointed from a list of four (4) names submitted by the Kentucky academy of physician's assistants, and one (1) consumer representative.

(3) The advisory council shall, within three (3) months after the appointment of the initial members of the council, develop and recommend to the board guidelines relating to the certification of physician's assistants.

(4) The council shall advise the board on revising physician's assistant certification standards and practice as national standards change, consistent with the trends and needs for health manpower in the Commonwealth of Kentucky.

Section 6. KRS 311.550 is amended to read as follows:

As used in KRS 311.530 to 311.620 and 311.990(8) to (11):

(1) "Board" means the state board of medical licensure;

(2) "President" means the president of the state board of medical licensure;

(3) "Secretary" means the secretary of the state board of medical licensure, or any assistant secretary thereof appointed as such by the board;

(4) "Regular license" means a license to practice medicine or osteopathy at any place in this state;

(5) "Limited license" means a license to practice medicine in a specific institution to the extent indicated in said license, except that no person who is the holder of a limited license on September 1, 1972, shall be restricted to an institutional practice without his consent;

(6) "Temporary permit" means a permit issued to a person who has applied for a regular license, and who appears (from verified information in the application) to the secretary to be qualified and eligible therefor;

(7) "Emergency permit" means a permit issued to a physician currently licensed in another state, authorizing him to practice in this state for the duration of a specific medical emergency, not to exceed thirty (30) days.

(8) Except as provided in subsection (9) of this section, the "practice of medicine or osteopathy" means the diagnosis, treatment or correction of any and all human conditions, ailments, diseases, injuries, or infirmities by any and all means, methods, devices or instrumentalities.

(9) The "practice of medicine or osteopathy" does not include the practice of Christian Science, the practice of podiatry as defined in KRS 311.380, the practice of dentistry as defined in KRS 313.010, the practice of optometry as defined in KRS 320.210, the practice of chiropractic as defined in subsection (2) of KRS 312.015, the practice as a nurse as defined in KRS 314.011, the performance of duties for which they have been trained by emergency medical technicians or medical emergency dispatchers certified by the department for human resources, *the practice of a physician's assistant as defined in Section 1 of this Act,* the practice of pharmacy by persons licensed and registered under KRS 315.050, the sale of drugs, nostrums, patented or proprietary medicines, trusses, supports, spectacles, eyeglasses, lenses, instruments, apparatus, or mechanisms that are intended, advertised or represented as being for the treatment, correction, cure or relief of any human ailment, disease, injury, infirmity or condition, in regular mercantile establishments, or the practice of midwifery by women; provided, however, that KRS 311.550 to 311.620 shall not be construed as repealing the authority conferred on the department for human resources by KRS chapter 211 to provide for the instruction, examination, licensing and registration of all midwives through county health officers.

(10) "Physician" means a doctor of medicine or a doctor of osteopathy.

(11) As used in KRS 311.595(d), "crimes involving moral turpitude" shall mean those crimes which have dishonesty as a fundamental and necessary element, including, but not limited to crimes involving theft, embezzlement, false swearing, perjury, fraud, or misrepresentation.

SECTION 7. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) A certified physician's assistant is prohibited from any of the following under this Act:

(a) Any act which requires interpretation or judgment in determining the refractive state of the human eye;

(b) The prescribing of contact lenses for the human eye, or the doing of any act in the examination, fitting or adapting of contact lenses to the human eye which requires interpretation or judgment; and

(c) The prescribing of ocular exercises, visual training or orthoptics.

(2) This section shall not prohibit a physician's assistant from doing any of the following:

(a) The making of any measurement which does not require interpretation or judgment and consists of doing mechanical or manual acts in the gathering of data for evaluation by a physician, osteopath or optometrist;

(b) The insertion or removal of contact lenses from a patient's eye or the instruction of a patient as to proper lens insertion, removal and care;

(c) The modifying of the parameters of a contact lens under the direct supervision of a physician, osteopath or optometrist; and

(d) Any other act not prohibited by law.

Section 8. KRS 311.990 is amended to read as follows:

(1) Any person who violates KRS 311.250 shall be fined fifty dollars ($50) for the first offense and one hundred dollars ($100) for each subsequent offense.

(2) Any college or professor thereof violating the provisions of KRS 311.300 to 311.350 shall be civilly liable on his bond for a sum not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) for each violation, which may be recovered by an action in the name of the Commonwealth.

(3) Any person who presents to the county clerk for the purpose of registration any license which has been fraudulently obtained, or obtains any license under KRS 311.380 to 311.510 by false or fraudulent statement or representation, or practices podiatry under a false or assumed name or falsely impersonates another practitioner or former practitioner of a like or different name, or aids and abets any person in the practice of podiatry within the state without conforming to the requirements of KRS 311.380 to 311.510, or otherwise violates or neglects to comply with any of the provisions of KRS 311.380 to 311.510, shall be fined not less than two hundred and fifty dollars ($250) nor more than five thousand dollars ($5,000) or imprisoned in the county jail for not less than three (3) months nor more than twelve (12) months, or both so fined and imprisoned. Each case of practicing podiatry in violation of the provisions of KRS 311.380 to 311.510 shall be considered a separate offense.

(4) Each first violation of KRS 311.560 shall be punishable by a fine of not less than two hundred and fifty ($250) nor more than five thousand dollars ($5,000) or by imprisonment for not less than one (1)

month nor more than twelve (12) months, or both. Each subsequent violation of KRS 311.560 shall constitute a felony and be punishable by a fine of not less than one thousand ($1,000) nor more than ten thousand dollars ($10,000) or by imprisonment in a penitentiary for not less than one (1) nor more than three (3) years, or both.

(5) Each violation of KRS 311.590 shall constitute a felony and shall be punishable by a fine of not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000) or by imprisonment in a penitentiary for not less than one (1) nor more than three (3) years. Conviction, under this subsection, of a holder of a license or permit, shall result automatically in permanent revocation of such license or permit.

(6) Conviction of wilfully resisting, preventing, impeding, obstructing, threatening or interfering with the board or any of its members, or of any officer, agent, inspector or investigator of the board or the department for human resources, in the administration of any of the provisions of KRS 311.550 to 311.620 shall be punishable by a fine of not more than one thousand dollars ($1,000) or by imprisonment for not more than six (6) months, or both.

(7) Each violation of subsection (1) of KRS 311.375 shall, for the first offense, be punishable by a fine of not less than fifty dollars ($50) nor more than three hundred dollars ($300) or by imprisonment for not more than thirty (30) days or both, and, for each subsequent offense, by a fine of not less than three hundred dollars ($300) nor more than one thousand dollars ($1,000) or by imprisonment for not more than one (1) year, or both.

(8) Each violation of subsection (2) of KRS 311.375 shall, for the first offense, be punishable by a fine of not more than one hundred dollars ($100) or by imprisonment for not more than thirty (30) days, or both, and, for each subsequent offense, by a fine of not less than one hundred dollars ($100) nor more than two hundred and fifty dollars ($250) or by imprisonment for not more than ninety (90) days or both.

(9) Each day of violation of either subsection of KRS 311.375 shall constitute a separate offense.

(10) Conviction of wilfully resisting, preventing, impeding, obstructing, threatening or interfering with the board or any of its members, or of any officer, agent, inspector or investigator of the board in the administration of any of the provisions of KRS 311.550 to 311.620 shall be punishable by a fine of not more than one thousand dollars ($1,000) or by imprisonment for not more than six (6) months, or both.

(11) Any physician who fails to comply with the provisions of KRS 311.730, upon conviction thereof shall be fined not more than five hundred dollars ($500).

(12) Failure to procure the informed consent of those required to give their consent pursuant to KRS 311.740, prior to performing an abortion shall be punishable by imprisonment in the county jail not to exceed one (1) year or a fine not to exceed one thousand dollars ($1,000), or both.

(13) Any person convicted of violating KRS 311.750 shall be imprisoned in the penitentiary for a term of not less than ten (10) nor more than twenty (20) years.

(14) Any person who violates KRS 311.760(2), 311.770 or 311.780 shall be imprisoned for a term not to exceed two (2) years or fined not more than five thousand dollars ($5,000), or both.

(15) A person convicted of violating KRS 311.780 shall be imprisoned in the penitentiary for not less than two (2) nor more than twenty-one (21) years.

(16) Any person who violates KRS 311.810 shall be imprisoned in the county jail for a term not to exceed twelve (12) months or fined a sum not to exceed one thousand dollars ($1,000), or both.

(17) Any professional medical association or society, licensed physician, or hospital or hospital medical staff who shall have violated the provisions of KRS 311.606, shall be fined not less than one hundred dollars ($100), nor more than five hundred dollars ($500) for each failure to so report as described in KRS 311.606.

(18) Any person who violates KRS 311.652 or any rule or regulation of the board of medical licensure adopted pursuant to KRS 311.654 shall be guilty of a Class A misdemeanor.

(19) Any person who violates KRS 311.914 shall be guilty of a misdemeanor and on conviction shall be punished by a fine of not less than twenty-five dollars ($25) nor more than two hundred dollars ($200).

(20) Any person who violates Section 3 of this Act shall be guilty of a misdemeanor and upon conviction be punished by a fine of not less than twenty-five dollars ($25.00) nor more than five hundred dollars ($500).

The Committee Amendment No. 1 to **SB 114** is as follows:

Amend printed copy of **SB 114,** page 4, line 26, by inserting a subsection "(1)"

And on page 5, after line 4, and before line 5 by adding the following new subsection:

"(2) A physician's assistant is prohibited from any of the following under this Act:

(a) The examination, diagnosis, and treatment of diseases, conditions, and malfunctions affecting the human foot; and

(b) The employment of medical, surgical, or other means in treating diseases, conditions, and malfunctions affecting the human foot."

The Committee Amendment No. 2 to **SB 114** is as follows:

Amend printed copy of **SB 114,** page 5, line 4, by inserting after the word "dentist" the following phrase: "; except that nothing in this Act shall prohibit an anesthesia assistant who is a graduate of a program approved by the American Anesthesia Society from giving general anesthetics under the direct supervision of a board eligible anesthesiologist"

The Committee Amendment No. 3 to **SB 114** is as follows:

Amend printed copy of **SB 114,** page 2, line 1, by deleting the word "either" as well as the words "or by radio or telephone"; and

On page 2, line 13, by inserting after the word "board" the following" "which procedures shall not encompass the rendition of a medical diagnosis nor shall they entail the dispensation or prescription of drugs or other medications"; and

On page 3, line 13, by deleting the words "the sole provider of patient care services" and substituting in lieu thereof "not in direct personal communication with the licensed physician".

The Committee on Cities reported **SB 116,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 116, AN ACT relating to zoning and planning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 100.171 is amended to read as follows:

(1) A simple majority of the total membership of a planning commission as established by regulation or agreement shall constitute a quorum, *except that a planning commission created pursuant to KRS 100.137 may specify in its planning agreement that five (5) members constitute a quorum.* Any member of a planning commission who has any direct or indirect financial interest in the outcome of any question before the body shall disclose the nature of the interest and shall disqualify himself from voting on the question, and he shall not be counted for the purpose of a quorum. A simple majority vote of all members present where there is a properly constituted quorum shall be necessary to transact any official business, except that a vote of a simple majority of the total membership shall be necessary for the adoption or amendment of the commission's bylaws, or for elements of the comprehensive plan or regulations.

(2) A planning commission may appoint one or more of its members to act as a hearing examiner or examiners to preside over a public hearing and make recommendations to the commission based upon a transcript of record of the hearing.

Section 2. KRS 100.212 is amended to read as follows:

When in any planning unit containing any portion of a county *not containing a city of the first class* a hearing is scheduled on a proposal *by a property owner* to amend any zoning map [plat, plan, text or regulation], the following notice shall be given in addition to any other notice required by statute by local regulation or ordinance to be given:

(1) Notice of the hearing shall be posted conspicuously on the property the classification of which is proposed to be changed for fourteen (14) consecutive days immediately prior to the hearing. Posting shall be as follows:

(a) The sign shall state "zoning change" and the proposed classification change in letters three (3) inches in height. The time, place and date of hearing shall be in letters at least one (1) inch in height.

(b) The sign shall be constructed of durable material and shall state the telephone number of the appropriate zoning commission.

(2) Notice of the hearing shall be given at least fourteen (14) days in advance of the hearing by registered mail or by certified mail, return receipt requested to the owners of all property adjoining the property the classification of which is proposed to be changed. It shall be the duty of the person or persons proposing the amendment to furnish to the planning commission the names and addresses of the owners of all adjoining property.

Section 3. KRS 100.214 is amended to read as follows:

When in any planning unit containing any portion of a county containing a city of the first class a hearing is scheduled on a proposal *by a property owner* to amend any zoning map [plat, plan, text or regulation], the following notice shall be given in addition to any other notice required by statute by local regulation or ordinance to be given:

(1) Notice of the hearing shall be posted conspicuously on the property the classification of which is proposed to be changed [for] thirty (30) [consecutive] days immediately prior to the hearing. Posting shall be as follows:

(a) The sign shall state "zoning change" and the proposed classification change in letters three (3) inches in height. The time, place and date of hearing shall be in letters at least one (1) inch in height.

(b) The sign shall be constructed of durable material and shall state the telephone number of the appropriate zoning commission.

(2) Notice of the hearing shall be given at least thirty (30) days in advance of the hearing by *first class mail, with certification by the commission secretary or other officer of the planning commission that the notice was mailed, to an owner of every parcel of* [registered mail or by certified mail, return receipt requested to the owners of all] property adjoining at any point the property the classification of which is proposed to be changed, to *an owner of every parcel* [all owners] of property directly across the street from said property, and to *an owner of every parcel* [all owners] of property which adjoins at any point the adjoining property or the property directly across the street. It shall be the duty of the person or persons proposing the amendment to furnish to the planning commission the names and addresses of the owners of all property as described in this subsection. *Records maintained by the property valuation administrator may be relied on to determine the identity and address of said owners.* In the event such property is in condominium or cooperative forms of ownership, then the person notified by mail shall be the president or chairman of the owner group which administers property commonly owned by the condominium or cooperative owners.

(3) If the hearing has been scheduled for a time during normal working hours, and if, within fifteen (15) days of the scheduled date of the hearing the planning commission shall receive a petition from two hundred (200) property owners living within the planning unit requesting that the hearing be rescheduled for a time after normal working hours, then the planning commission shall reschedule the hearing for a time after normal working hours on a date no earlier than the date of the original hearing. The planning commission shall then publish notice of the new hearing time and date according to the provisions of KRS 100.211, except that notice shall occur at least seven (7) days prior to the public hearing. The sign required by subsection (1) of this section shall be changed to reflect the new hearing time and date at least seven (7) days prior to the public hearing. The persons who receive mail notice according to the provisions of subsection (2) of this section shall again be notified *in the same manner* [by certified or registered mail, return receipt requested], of the new hearing time and date at least seven (7) days prior to the hearing. The hearing time shall not be changed more than once by the procedures of this section except in the event of intervening emergency which requires the cancellation of a hearing.

(4) Notice by mail shall include a list of the names and addresses of each person so notified, and a description of the procedure by which those notified can petition for a change in the hearing time.

Section 4. KRS 100.347 is amended to read as follows:

Any appeal from commission action may be taken in the following manner:

(1) Any person or entity claiming to be injured or aggrieved by any final action of the planning commission or board of adjustments may appeal from the action to the circuit court of the county in which the land lies. [Such appeal shall be taken within thirty (30) days after the final action of the commission or board.] Final action shall not include commission's recommendations made to other governmental bodies.

(2) *Any person or entity claiming to be injured or aggrieved by the final decision of a local legislative body granting or denying a map amendment to the existing zoning regulations may appeal that decision to the circuit court.*

(3) All appeals shall be taken in the appropriate circuit court within thirty (30) days after the action or decision of the *local legislative body,* planning commission or board of adjustments and all decisions which have not been appealed within thirty (30) days shall become final. After the appeal is taken the procedure shall be governed by the Rules of Civil Procedure. When an appeal has been filed, the clerk of the circuit court shall issue a summons to all parties, including the planning commission in all cases, and shall cause it to be delivered for service as in any other law action.

The Committee Amendment No. 1 to **SB 116** is as follows:

Amend printed copy of **SB 116,** page 6, line 3, and extending through page 7, line 4, by deleting Section 4 in its entirety.

The Committee on State Government reported **HB 108** with Committee Substitute attached thereto, **HB 947, SB 56, SB 152** with Committee Amendments attached thereto, **SB 243, SB 245** with Committee

Amendment attached thereto, **SB 293,** and **SB 300** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 108, AN ACT relating to activities, state agencies and institutions in competition with private enterprise.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 12 IS CREATED TO READ AS FOLLOWS:

(1) No state agency or institution supported in whole or in part by monies derived from taxpayers except:

(a) Existing enterprises which are concerned with any aspect of the administration of justice in the Commonwealth of Kentucky;

(b) Cooperative programs in connection with an educational program or course of study;

(c) State parks operations; and

(d) State purchases and operation of rail cars shall have the power to engage in any activity which will be in competition with existing private enterprise, when that service is being provided by private enterprise, except as permitted by the provisions of this Act.

(2) The secretary of public protection and regulation shall determine, upon petition by an affected individual or corporation, whether a government agency or institution is in competition with an existing private enterprise.

(3) If the secretary finds that a state agency is in competition with an existing private enterprise, he shall direct the state agency or institution not to engage in a proposed activity or to terminate its activity in the affected area except under the following conditions:

(a) If upon the application of a state agency or institution to the secretary of public protection and regulation, the secretary determines that a bona fide emergency exists and that services which would be in competition with private enterprise should be performed by a state agency or institution; or

(b) If after a hearing in which all parties have been afforded an opportunity to present evidence to the secretary of public protection and regulation, the secretary determines that there will be a substantial savings to the Commonwealth and that private enterprise cannot adequately perform the needed service.

(4) The secretary shall submit his decision along with written findings within twenty (20) days regarding his decision to authorize, terminate or to permit the continuance of an activity of a state agency or institution in competition with private enterprise and shall make available copies to all parties in interest.

(5) An appeal from an order of the secretary of public protection and regulation may be taken to the circuit court where the petitioner does business or to the Franklin circuit court.

(6) Activities of state agencies or institutions, in operation at the effective date of this Act, which are found to be in competition with private enterprise, may continue until July 1, 1980, or until the expiration date of the contract if entered into prior to the effective date of this Act, at which time they must cease, unless such activity is approved by an Act of the 1980 General Assembly.

The Committee Substitute to **HB 108** is as follows:

HB 108, AN ACT relating to activities, state agencies and institutions in competition with private enterprise.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 12 IS CREATED TO READ AS FOLLOWS:

(1) As used in this Act, an "activity in competition with private enterprise" means an activity which:

(a) Is undertaken by a state agency or institution that is supported in whole or in part from monies derived from taxation; and

(b) Is also being performed within the Commonwealth of Kentucky by an existing private enterprise; and

(c) Is not authorized or mandated by an act of the general assembly; and

(d) Is not a valid exercise of the police powers of the Commonwealth.

(2) Except as otherwise provided in this Act, no state agency or institution supported in whole or part by tax proceeds shall engage in any activity which is in competition with private enterprise.

(3) Subsections (2) and (4) through (8) of this section shall not apply to:

(a) Enterprises which are concerned with any aspect of the administration of justice in the Commonwealth of Kentucky;

(b) Cooperative programs in connection with an educational program or course of study;

(c) State fair board and state parks operations;

(d) State purchases and operation of rail cars;

(e) The bureau for the blind; and

(f) Programs of the Kentucky development finance authority.

(4) The secretary of public protection and regulation shall determine, upon petition by an affected individual or corporation, whether a government agency or institution is in competition with an existing private enterprise.

(5) If the secretary finds that a state agency is conducting an activity in competition with an existing private enterprise, he shall direct the state agency or institution not to engage in a proposed activity or to terminate its activity in the affected area except under the following conditions:

(a) If upon the application of a state agency or institution to the secretary of public protection and regulation, the secretary determines that a bona fide emergency exists and that services which would be in competition with private enterprise should be performed by a state agency or institution; or

(b) If after a hearing in which all parties have been afforded an opportunity to present evidence to the secretary of public protection and regulation, the secretary determines that there will be a substantial savings to the Commonwealth and that private enterprise cannot adequately perform the needed service;

(c) Should the secretary of public protection and regulation find that an agency is in competition with private enterprise but that the cessation of such activity would cause irreparable harm or loss of substantial invested funds to the state, the secretary in his sole discretion may allow the continuation of such activity and his decision made pursuant to such findings shall not constitute grounds for appeal.

(6) The secretary shall submit his decision along with written findings within twenty (20) days regarding his decision to authorize, terminate or to permit the continuance of an activity of a state agency or institution in competition with private enterprise and shall make available copies to all parties in interest.

(7) Except as provided in subsection (5)(c) of this section, an appeal from an order of the secretary of public protection and regulation may be taken to the circuit court where the petitioner does business or to the Franklin circuit court.

(8) Activities of state agencies or institutions which were undertaken prior to, and are in operation on, the effective date of this Act, and which are found under this Act to be in competition with private enterprise and ordered terminated, may continue until the expiration date of any contract which would be adversely affected by the cessation of the activity.

HB 957, AN ACT relating to the lease of real property by the state.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 56 IS CREATED TO READ AS FOLLOWS:

The secretary of the department of finance shall provide by regulations adopted pursuant to the provisions of KRS Chapter 13, for the manner of calculating the compensation to persons leasing real property to the Commonwealth under this chapter, and for the negotiation of any modifications or changes in the terms and conditions of any such leases as may be determined by the secretary to be needed in the best interests of the Commonwealth.

Section 2. KRS 56.800 is amended to read as follows:

The [executive] department *of* [for] finance [and administration] shall be responsible for the lease of all real property rentals required for use by all [branches,] departments, [and] agencies *and administrative bodies* of the state government *listed in KRS Chapter 12*, and no lease of real property shall be binding against the Commonwealth or any *such* agency [thereof] unless made and entered into as provided in KRS 56.800 to 56.820.

Section 3. KRS 56.804 is amended to read as follows:

(1) Newspaper advertisements soliciting proposals for the lease of space by the Commonwealth shall not be required if space suitable to the needs of the agencies for whose use space is sought is determined to be available for lease in a building owned by the federal government, by a political subdivision or municipal corporation of this state, or if the space is required as a result of a bona fide emergency as defined in subsection (2) of this section.

(2) A bona fide emergency, authorizing dispensation of newspaper advertisements for leased space, shall be deemed to exist only in cases where the head of an agency already occupying leased premises certifies in writing to the secretary of [the executive department for] finance [and administration] that:

(a) The leased premises have been damaged or destroyed by fire, windstorm or other casualty; or

(b) The leased premises are found to be in violation of regulations of the Kentucky occupational health and safety commission and such violations cannot be remedied within thirty (30) days after the issuance of a citation to the lessor of the premises; or

(c) The leased premises are found to be unsafe or unfit for occupancy due to any condition constituting a violation or infraction of fire or health laws and regulations and cannot be made safe within a reasonable time; or

(d) The necessity for leased premises arises from the enactment or adoption of federal legislation or regulations or state legislation, the effective date of which mandates commencement of programs to be housed in leased space before there is time for space to be acquired by advertisement; and,

(e) The agency's functions will be impaired or have to be discontinued unless other quarters to house the agency's operations are immediately located and occupied by the agency.

(3) Upon receipt *by the department of finance* of certification of the existence of any of the foregoing conditions, [by] the department[, the bureau of public properties] shall take such action as may be deemed appropriate to locate and negotiate for the lease of space meeting the certifying agency's reasonable needs. *Except as provided in this section, the* [No] lease [by the state] of any real property *for the use of any state agency* under *any other* conditions deemed of an emergency nature by the *head of such agency shall be authorized only with the express written approval of the governor* [heads of the several branches, departments or agencies of the state government shall be binding against the state unless approved by the governor].

Section 4. KRS 56.808, Modification of lease; and KRS 56.810, Calculation of amount of rent, are repealed.

Section 5. Whereas pursuant to the provisions of KRS Chapter 56, and of the terms and conditions of various agreements of lease between the Commonwealth and property owners, said agreements of lease are required to be renewed as of the end of the current biennial fiscal period, and whereas it appears to the General Assembly that the provisions of this Act will facilitate the renewal of said leases, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 56, AN ACT relating to veterans' affairs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 36.310 is amended to read as follows:

(1) There is created a board to be known as the advisory board for veterans affairs. The board shall be composed of five (5) members appointed by the governor. Two (2) of said members shall serve for a period of three (3) years, two (2) for a period of two (2) years and one (1) for a period of one (1) year and all shall serve until their successors are appointed, and with all appointments after the original appointments being for three (3) years. It is further provided that said appointments shall be veterans with service during time of war or hostilities wherein American troops were engaged in conflict with an armed enemy. Insofar as practicable, the governor, in making appointments to the board, shall give due consideration to a fair representation on the board of nationally recognized veterans organizations active in Kentucky, based on size of the membership of such organizations in this state. The state headquarters of each said major veterans organization may, from time to time, submit a list of not more than three (3) names to the governor from which list original appointments may be made and vacancies filled in his discretion.

(2) Members of the board shall meet at least once every two (2) months at the headquarters of the advisory board for veterans affairs, and at such other times as the chairman may designate, and the members shall decide as to the specific meeting date.

(3) Members of the board shall be paid for the actual expenses incurred upon attendance of meetings of the board subject to the executive department for finance and administration regulations.

(4) At its first meeting the members of the board shall select a chairman, vice-chairman and secretary from among the members.

(5) The board shall advise the *governor* [department for human resources] on the administration of [its] veterans services programs.

Section 2. KRS 36.330 is amended to read as follows:

(1) *There is created the center for veterans' affairs.* The *center* [department for human resources] shall collect all necessary data and information regarding facilities and services available to veterans, their families, and dependents, and shall cooperate with all information or service agencies throughout the state

in informing such persons regarding the existence or availability of all educational, training and retraining facilities; health, medical, rehabilitation and housing services and facilities; employment and re-employment services; provisions of federal, state and local laws affording rights, privileges and benefits to said persons, their families and dependents, and all other matters of similar related or appropriate nature. It shall likewise be the duty of said *center* [department for human resources] to assist veterans and their families and dependents in the presentation, proof and establishment of all claims, privileges, rights and other benefits which they may have under federal, state or local laws, and to cooperate with all national, state and local government and private agencies securing services or any benefits to veterans, their families and dependents.

(2) The *director of the center for veterans' affairs* [department for human resources] shall prepare and submit to the governor, *the adjutant general,* and each member of the board an annual report with reference to claims presented on behalf of veterans and to otherwise report the activities and accomplishments of the *center* [department].

(3) The *center for veterans' affairs* [department for human resources] shall be authorized to apply for and accept gifts, grants, and other contributions from the federal government, or from any other governmental unit which funds shall be administered by the *center* [department for human resources] through use of trust and agency accounts.

(4) Veterans as used in KRS 36.310 to 36.330 include any individual who served on active duty during peace or war in the armed forces of the United States, and who has received an honorable discharge from such service.

(5) The *center for veterans' affairs* [department] shall maintain full, adequate and complete copies of all records pertaining to claims of veterans who file said claims for benefits through the *center* [department].

Section 3. KRS 194.110 is amended to read as follows:

(1) The Kentucky drug formulary council and its associated bodies are hereby attached to the bureau for health services for administrative and support purposes. The Kentucky drug formulary council shall advise the council for health services, the secretary for human resources, and the commissioner for health services on the administration and operations of the generic drug formulary program. The composition, structure, authority, responsibilities, activities, programs, and resources of the Kentucky drug formulary council shall continue and remain in its present form except that it shall not have the authority to expend funds, hire employees, issue grants, or otherwise engage in the normal administrative process of the department. This authority and responsibility shall reside exclusively with the secretary for human resources and such employees of the department designated by the secretary to hold these powers.

(2) The Kentucky certificate of need and licensure board and its associated bodies are hereby attached to the bureau for health services for administrative and support purposes. The Kentucky certificate of need and licensure board shall advise the council for health services, the secretary for human resources, and the commissioner for health services on the administration and operations of the certificate of need and licensure program. The composition, structure, authority, responsibilities, activities, programs, and resources of the Kentucky certificate of need and licensure board shall continue and remain in its present form, except that it shall not have authority to expend funds, hire employees, issue grants, or otherwise engage in the normal administrative processes of the department. This authority and responsibility shall reside exclusively with the secretary for human resources and such employees of the department designated by the secretary to hold these powers.

(3) The advisory council for medical assistance and its associated bodies are hereby attached to the bureau for social insurance for administrative and support purposes. The advisory council for medical assistance shall advise the council for social insurance, the secretary for human resources and the commissioner for social insurance on the administration and operations of the medical assistance program.

(4) The comprehensive health planning council and its associated bodies are hereby attached to the bureau for health services for administrative and support purposes. The comprehensive health planning council shall advise the council for health services, the Kentucky certificate of need and licensure board, the secretary for human resources, and the commissioner for health services on the total health service, facility, and resource needs of the Commonwealth and the allocation of resources to address those needs.

[(5) The board of the bureau for veterans affairs and its associated bodies are hereby attached to the bureau for social services for administrative and support purposes. The board of the bureau for veterans affairs shall advise the council for social services, the secretary for human resources, the commissioner for social services, and the executive director of the center for veterans services on the administration of the veterans services program operated by the department for human resources. The composition, structure, authority, responsibilities, activities, programs, and resources of the board of the bureau for veterans affairs shall continue and remain in its present form except as limited by executive order 74-47. The board of the bureau for veterans affairs is hereby renamed the advisory board for veterans affairs.]

Section 4. KRS 194.180 is amended to read as follows:

All rules, regulations, acts, determinations, and decisions of or by the corporate bodies or instrumentalities of the Commonwealth, advisory committees, inter-state compacts, or other statutory bodies, transferred in whole or in part to the citizens' commission for human resources, the institute for aging, the institute for children, the council for health services, the council for social insurance, the council for manpower services, the council for social services, the advisory council for medical assistance, *and* the comprehensive health planning council, [and the advisory board for veterans affairs,] shall remain in effect as rules, regulations, acts, determinations, and decisions of the department unless duly modified or repealed by the secretary.

Section 5. KRS 194.190 is amended to read as follows:

The citizens' commission for human resources, the institute for aging, the institute for children, the council for health services, the council for social insurance, the council for manpower services, the council for social services, the advisory council for medical assistance, the comprehensive health planning council, [the advisory board for veterans affairs,] the Kentucky drug formulary council, and the Kentucky certificate of need and licensure board shall be empowered to accept gifts and grants, but all such monies shall be administered by the department, which shall administer these funds through appropriate trust and agency accounts.

Section 6. KRS 194.200 is amended to read as follows:

The members of the citizens' commission for human resources, the institute for aging, the institute for children, the council for health services, the council for social insurance, the council for manpower services, *and* the council for social services [and the advisory board for veterans affairs] shall receive no compensation for their services, but shall be allowed the necessary and actual expenses incurred through the performance of their duties as members of these citizens' councils. No member of a citizens' council shall be held to be a public officer by reason of his membership on a council.

Section 7. KRS 194.210 is amended to read as follows:

Whenever the kidney disease advisory council, the family planning committee, the tuberculosis commission, the Kentucky manpower commission, the Kentucky advisory committee on day care, the Kentucky children's advisory council, the state advisory committee for public assistance, the Kentucky commission on employment of the handicapped, the advisory committee to the Kentucky commission on employment of the handicapped, the advisory council on mental retardation, the developmental disabilities services act advisory council, the Kentucky commission on alcoholism and drug problems, the commission on aging, the advisory committee on aging, the commission on handicapped children, the commission on children and youth, the state board of health, the radiation operators' advisory committee, the advisory council for medical assistance, the comprehensive health planning council, [the board of the bureau for veterans affairs,] the Kentucky drug formulary council, and the Kentucky certificate of need and licensure board, as they relate to the functions transferred in whole or in part by 1974 Acts ch. 74, or members thereof are referred to or designated in any law, regulation, contract, or order pertaining to the functions, powers, obligations, and duties vested in the citizens' commission for human resources, the institute for aging, the institute for children, the council for health services, the council for social insurance, the council for manpower services, the council for social services, the advisory council for medical assistance, the comprehensive health planning commission, [the advisory board for veterans affairs,] the Kentucky drug formulary council, and the Kentucky certificate of need and licensure board, in accordance with 1974 Acts ch. 74, such references or designations shall be deemed to refer to the citizens' commission for human resources, the institute for aging, the institute for children, the council for health services, the council for social insurance, the council for manpower services, the council for social services, the advisory council on medical assistance, the comprehensive health planning council, [the advisory board for veterans affairs,] the Kentucky drug formulary council, and the Kentucky certificate of need and licensure board, or the department for human resources, or the secretary for human resources, as may be appropriate.

Section 8. KRS 194.220 is amended to read as follows:

Except as otherwise provided in 1974 Acts ch. 74, all authorities, functions, activities, programs, powers, and duties vested in the department of child welfare, the department of economic security, the department of health, the department of mental health, the commission on aging, the commission on children and youth, the commission for handicapped children, the office of economic opportunity, [the bureau of veterans affairs,] the division of disability determination of the department of education, and the employment agency licensure program of the department of labor are hereby transferred to the department and shall be vested in its organizational structure as directed by the secretary.

Section 9. KRS 194.230 is amended to read as follows:

Except as otherwise provided in 1974 Acts ch. 74, all rules, regulations, contracts, acts, agreements, determinations and decisions of the department of child welfare, the department of economic security, the department of health, the department of mental health, the commission on aging, the commission on children and youth, the commission for handicapped children, the office of economic opportunity, [the bureau of veterans affairs,] the division of disability determination of the department of education, and the employment agency licensure program of the department of labor shall remain in effect within the department until duly modified or repealed by the secretary.

Section 10. KRS 194.240 is amended to read as follows:

All funds, credits, assets, appropriations, outstanding obligations, personnel, equipment, wards, any and all resources or other tangible property and any business or other matter undertaken or vested in the department of child welfare, the department of economic security, the department of health, the department of mental health, the commission on aging, the commission on children and youth, the commission for handicapped children, the office of economic opportunity, [the bureau of veterans affairs,] the division of disability determination of the department of education, and the employment agency licensure program of the department of labor are hereby transferred to and vested in the department.

Section 11. KRS 194.250 is amended to read as follows:

All reports, documents, surveys, books, records, files, papers or other writing in the possession of the department of child welfare, the department of economic security, the department of health, the department of mental health, the commission on aging, the commission on children and youth, the commission for handicapped children, the office of economic opportunity, [the bureau of veterans affairs,] the division of disability determination of the department of education, and the employment agency licensure program of the department of labor and in the possession of all instrumentalities within or attached thereto shall remain in the custody of the department. All confidential records, files or information maintained in accordance with state or federal law or regulations or rules of court shall be retained in accordance with present law, regulations or rules of court until modified or repealed or until the secretary establishes appropriate regulations to protect these records, files and information.

Section 12. KRS 194.260 is amended to read as follows:

Any business, litigation, or other matters undertaken or commenced by or against the kidney disease advisory council, the family planning committee, the tuberculosis commission, the Kentucky manpower commission, the Kentucky advisory committee on day care, the Kentucky children's advisory council, the state advisory committee for public assistance, the Kentucky commission on employment of the handicapped, the advisory committee to the Kentucky commission on employment of the handicapped, the advisory council on mental retardation, the developmental disabilities act advisory council, the Kentucky commission on alcoholism and drug problems, the commission on aging, the advisory committee on aging, the commission on handicapped children, the commission on children and youth, the state board of health, the radiation operators' advisory committee, the advisory council for medical assistance, the comprehensive health planning council, [the board of the bureau for veterans affairs,] the Kentucky drug formulary council, and the Kentucky certificate of need and licensure board and still pending on June 21, 1974, shall be completed and conducted by the department.

Section 13. KRS 194.270 is amended to read as follows:

All corporate bodies or instrumentalities of the Commonwealth, advisory committees, commissions, councils, interstate compacts, or other statutory or executive order bodies attached to the functions in whole or in part of the department of child welfare, the department of economic security, the department of health, the department of mental health, the commission on aging, the commission on children and youth, the commission for handicapped children, the office of economic opportunity, [the bureau of veterans affairs,] the division of disability determination of the department of education, and the employment agency licensure program of the department of labor shall be attached to the department.

SECTION 14. A NEW SECTION OF KRS CHAPTER 194 IS CREATED TO READ AS FOLLOWS:

All veterans' affairs functions transferred and assigned to the department for human resources by 1974 Acts, Chapter 74, by subsequent act of the General Assembly, and by any executive order are transferred and reassigned to the center for veterans' affairs established by KRS 36.330 as amended by this Act. Any administrative unit of the department for human resources engaged solely in the performance of the functions transferred by this Act is abolished. In order to effect the transfer and reassignment of veterans' affairs functions:

(1) All rules, regulations, contracts, acts, agreements, determinations and decisions of the department for human resources and advisory board for veterans' affairs relating to the functions transferred and reassigned by this Act to the center for veterans' affairs shall remain in effect as rules, regulations, contracts, acts, agreements, determinations and decisions of the center for veterans' affairs until duly modified or repealed by the advisory board or by the center for veterans' affairs.

(2) Whenever the department for human resources, or officers or units thereof, as they relate to the veterans' affairs functions transferred by this Act, are referred to or designated in any law, regulation, contract, agreement or order, such references or designations shall be deemed to refer to the center for veterans' affairs.

(3) Any business, litigation or other matters relating to the veterans' affairs functions transferred by this Act, undertaken or commenced by or against the department for human resources and still pending on the effective date of this Act, shall be assumed and conducted by the center for veterans' affairs.

(4) All funds, credits, assets, appropriations, outstanding obligations, personnel, equipment, any and all resources and other tangible property, and any other matter, relating to the veterans' affairs functions

transferred by this Act, undertaken or vested in the department for human resources, including any funds appropriated for the performance of veterans' affairs functions during the 1980-1982 fiscal years, are hereby transferred to the center for veterans' affairs.

(5) All reports, documents, surveys, books, records, files and papers relating to the veterans' affairs functions transferred by this Act, now in the possession of the department for human resources, shall be transferred to the custody of the center for veterans' affairs.

SB 152, AN ACT relating to the national guard.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 38 IS CREATED TO READ AS FOLLOWS:

An employe shall be granted a leave of absence by his employer for the period required to perform active duty or training in the national guard. Upon the employe's release from a period of active duty or training, he shall be permitted to return to his former position of employment with the seniority, status, pay or any other rights or benefits he would have had if he had not been absent.

Section 2. KRS 38.990 is amended to read as follows:

(1) Any person who makes a false oath as to any statement contained in the enlistment papers mentioned in subsection (3) of KRS 38.090 shall be fined not less than ten (10) nor more than fifty dollars ($50.00).

(2) Any civil officer who fails to execute process and sentences when required to do so under KRS 38.400 shall be fined not more than fifty dollars ($50.00) for each offense.

(3) Any master, keeper, or other person in charge of a tollgate, toll bridge or ferry who wilfully hinders or delays any member of the Kentucky national guard or Kentucky active militia going to or returning from any parade, encampment, drill, or meeting which he is required by proper authority to attend, or who refuses free passage to any member, conveyance or other property in violation of KRS 38.430 shall be fined not more than fifty dollars ($50.00) for each offense.

(4) Any person who violates any of the provisions of KRS 38.440 shall be fined not less than ten (10) nor more than one hundred dollars ($100), or imprisoned in the county jail for not more than six (6) months, or both.

(5) Any person who violates any of the provisions of KRS 38.450 shall be fined not less than ten (10) nor more than one hundred dollars ($100).

(6) Any person who violates any of the provisions of subsection (1) of KRS 38.460 or who aids in enforcing any provision prohibited by subsection (2) of KRS 38.460 shall be fined not less than one hundred dollars ($100) or more than five hundred dollars ($500) or imprisoned in the county jail not less than six (6) months, or both.

(7) Any person who trespasses upon property occupied by the Kentucky national guard or Kentucky active militia contrary to the orders of the officer in charge of such property shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) or imprisoned in the county jail for six (6) months, or both.

(8) Any witness who refuses to appear in answer to a subpoena, to answer questions before a military court or board is guilty of contempt and may be fined not more than fifty dollars ($50.00) by such court or board.

(9) Any employer failing to meet any requirements of Section 1 of this Act shall be guilty of a Class A misdemeanor.

The Committee Amendment No. 1 to **SB 152** is as follows:

Amend printed copy of **SB 152,** page 1, immediately after the enacting clause and before line 1 by inserting the following new section and renumbering subsequent sections accordingly:

"SECTION 1. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Any employe who is a member of the General Assembly shall be granted a leave of absence by his employer for the period required to perform any duties or functions connected with his membership in the General Assembly. The employe shall be permitted to return to his former position of employment with the seniority, status, pay or any other rights or benefits he would have had if he had not been absent.

(2) Any employer failing to comply with the requirements of subsection (1) of this section shall be guilty of a Class A misdemeanor.

On page 3, line 9, after the word "Section" delete the number "1" and insert in lieu thereof the number "2"

The Committee Title Amendment to **SB 152** is as follows:

Amend printed copy of **SB 152,** page 1, title line, after the word "to" by deleting the words "the national guard" and inserting in lieu thereof the words "government service"

SB 243, AN ACT repealing the litter assessment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 224.920 is amended to read as follows:

In addition to all specific responsibilities contained elsewhere in KRS 224.905 to 224.970, the department shall:

(1) Serve as the coordinating agency between the various government and private organizations seeking to aid in litter control and reduction, source separation and recycling efforts.

(2) Assist local governments in the adoption and revision of ordinances aimed at litter control and reduction[, but in no event shall any local government enact an ordinance which imposes a tax or assessment which would duplicate the resource conservation, recovery and beautification assessment provided for in KRS 224.905 to 224.970].

(3) Encourage, organize, and coordinate voluntary local campaigns seeking to focus the attention of the public on programs to control and reduce litter.

(4) Encourage, organize and coordinate voluntary local source separation and recycling programs.

(5) Encourage all state and local agencies to cooperate with and aid source separation and recycling programs in whatever ways they can, including providing publicity which encourages recycling, and allowing the use of publicly owned land, buildings, or equipment for recycling efforts.

(6) Investigate the availability of, and apply for, receive and expend grants, loans or other funds available from any private or public source, and where it is deemed appropriate and feasible, to accept non-monetary funding in the form of services or equipment, for use in connection with any of the programs or purposes of KRS 224.905 to 224.970.

(7) Have the power to propose and adopt rules and regulations necessary to carry out the provisions, programs, and purposes of KRS 224.905 to 224.970.

Section 2. KRS 224.965 is amended to read as follows:

(1) There is hereby created within the state treasury a trust and agency fund, which shall not lapse, to be known as the resource conservation recovery and beautification fund. [The department of revenue shall be responsible for collecting and receiving funds relating to KRS 224.905 to 224.970.]

(2) All [assessments,] fines, appropriations, or other funds collected or received by the state treasury or appropriated pursuant to any of the provisions of KRS 224.905 to 224.970 shall be deposited in the fund, and shall be used exclusively for the purposes set forth in KRS 224.905 to 224.970.

(3) The department shall allocate and distribute funds annually from the fund for grants to state government units and agencies for the purchase, installation, and maintenance of litter reduction, collection or pick-up equipment, litter receptacles and litter bags.

Section 3. The following KRS sections are repealed:

224.955 Anti-litter assessment against seller of covered item — "Seller" and "covered item" defined.
224.960 Penalty assessments.

SB 245, AN ACT relating to energy.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context otherwise requires:

(1) "Agreement" means a written contract between the authority and the city, county, department, federal government, or individual partnership, or corporation providing for construction and financing and operation of one or more projects of the authority;

(2) "Authority" means the chemical/energy park authority of Kentucky;

(3) "Bonds" means revenue bonds or revenue refunding bonds of the authority issued under the provisions of this Act;

(4) "Cost" means the expenditures for construction, acquisition of land, rights of way, property, rights, easements and interests acquired for such construction, demolishing or removing any buildings or structures on land so acquired, all machinery and equipment, financing charges, interest prior to and during construction, engineering and legal expenses, plans, specifications, surveys, cost and revenue estimates, other expenses necessary or incident to determining the feasibility or practicability of constructing any project, administrative expenses, and such other expenses necessary or incident to the construction of a project, the financing of such construction and the placing of the project into operation. Any expense heretofore incurred by the department on projects of the authority may be reimbursed to it from the proceeds of revenue bonds of the authority;

(5) "Department" means the department of finance;

(6) "Lease" means a written lease made by the authority as lessor and the department, federal government, city, county, or any citizen or privately owned corporation as lessee, relating to one or more projects financed and constructed by the authority;

(7) "Owner" means all individuals, partnerships, associations, or corporations having any title or interest in any property, rights, easements or interests authorized by this Act to be acquired;

(8) "Project" means any building, facility or structure which the authority may deem necessary for the promotion of a coal based chemical/energy industrial complex, and all property, rights, easements, and interests which may be acquired by the authority for the construction and operation of the project.

SECTION 2. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

(1) The energy park authority shall be composed of eleven (11) members. The secretary of the department of finance, the secretary of development, the secretary of the department of energy and the secretary of the department of natural resources and environmental protection shall be the state members. The governor shall appoint seven (7) additional members. These members shall be chosen from among but not limited to persons in the utilities industry, banking and financial institutions, coal industry, scientific community, and petro-chemical industry. The governor shall initially appoint seven (7) persons having such qualifications, two (2) each to four (4) staggered terms ranging from one (1) to four (4) years as he may designate and one (1) person for a term of four (4) years. As such terms expire, the governor shall appoint persons to fill such vacancies for a term of four (4) years. These eleven (11) persons shall constitute a body corporate, being a public corporation and governmental agency and instrumentality of the Commonwealth by the name of the "Kentucky Energy Park Authority" with perpetual succession and with power in that name to contract and be contracted with, to convey property, to sue and be sued, to have and use a corporate seal, and to exercise in addition to the powers and functions specifically stated in this Act, all of the usual powers of private corporations not inconsistent with specifically enumerated powers.

(2) The members of the authority shall receive no compensation for their services, but are entitled to reimbursement for all reasonable expenses necessarily incurred in connection with performance of their duties and functions as members.

(3) Six (6) members of the authority shall constitute a quorum for the transaction of business. The secretary of energy shall be the chairman of the authority. The authority shall appoint an executive director and a treasurer who shall serve at the pleasure of the authority and receive such compensation as may be determined by the authority. The treasurer shall give bond to the authority for a faithful accounting of all funds coming into his custody.

SECTION 3. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

The authority may:

(1) Construct, reconstruct, maintain, repair, operate, and regulate projects at such locations within the Commonwealth as may be determined by the authority;

(2) Notwithstanding KRS Chapter 56, the authority may issue revenue bonds payable solely from the charges, revenues, rentals, and other funds pledged for their payment, for the purpose of paying all or any part of the cost of any project or for the acquisition of property;

(3) Sell any building, structure, facility or any interests in land to the Commonwealth of Kentucky, the federal, city, or county government, or any person or corporation;

(4) Lease any interest in real property, any building, facility, or structure to the Commonwealth of Kentucky, the federal, city, or county government or to any person or corporation;

(5) Fix and revise from time to time the charges and rent payments which will be paid by the different lessees for the use of the land, buildings and other facilities;

(6) Combine for financing purposes any two (2) or more projects;

(7) Establish and enforce rules, specifications, and regulations for the construction and use of any project, except during any period when such powers are assigned to a lessee pursuant to a lease agreement;

(8) Notwithstanding KRS Chapter 56, to acquire and hold in the name of the authority real and personal property in the exercise of its powers and the performance of its functions and duties under this Act, and to dispose of these interests in property;

(9) Make and enter into such contracts and agreements with the Commonwealth of Kentucky or any federal, city or county government or other person or corporation as may be necessary or incidental to the effectiveness of a well-planned complex;

(10) Employ consulting engineers, attorneys, accountants, construction and financial experts, superintendents, managers, and such other employes and agents as may be necessary in the judgment of the authority, and to fix their compensation;

(11) Receive and accept from the Commonwealth, department, any federal agency, city or county, grants for or in aid of the construction of any project, and receive and accept aid or contributions from any source of either money, property, labor or other things of value, to be held, used and applied for the purposes for which such grants and contributions may be made; and

(12) Do all acts necessary and proper to carry out the powers expressly granted in this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

If the authority deems it suitable, feasible, necessary or expedient that any project or projects be financed or refinanced and constructed by the authority, the authority may make one or more written agreements in which the parties may include provisions as to any of the following:

(1) Identify the project to be financed by the authority, setting forth in general terms, subject to necessary revision from time to time as the work progresses, the amount of space, the type of facility, and any other information which is deemed necessary and proper for the development of the project;

(2) Set forth what portions, if any, of the cost of the project that have been or shall thereafter be contributed by the department from the funds and other resources available to it during the then current biennium and not previously obligated, which may include engineering and any other services performed by the staff of the department; and that the department, if deemed desirable, shall supervise construction on behalf of the authority upon terms which are mutually acceptable;

(3) Set forth agreements for planning, design, acquisition of property, soliciting construction bids, awarding construction contracts, issuing of work orders, and such other steps as may be necessary or incidental to the construction of the project, and authorizing and selling bonds for the project;

(4) Agree that upon completion of the project the lessee will continuously pay all or part of the cost of repairing, maintaining and operating the project;

(5) Agree that upon the happening of stated events and the performance of stated conditions not inconsistent with law, the authority shall convey the project to the lessee;

(6) Set forth the terms and provisions of lease or sale proposed to be entered into by and between the authority and the department, federal government, county, city, or any private person or corporation;

(7) Agree that upon determination of the amount of bonds to be issued by the authority for the project and the interest rate or rates the bonds are to bear, and prior to the delivery of any bonds to the purchaser thereof, the rental to be paid during the term of the lease and each biennial term for which the lease may be renewed shall be established according to a method of computation set forth therein and in the proposed lease, and that the authority and the department or other lessee, each by authorized persons, shall execute such lease and file the original or a signed counterpart thereof in the office of the authority, the department and the secretary of state of the Commonwealth; and

(8) Agree to establish any method of interim financing by the authority during the construction of any project, with borrowed funds from any bank, trust company, or banking institution, such funds to be repaid from money obtained through the sale of revenue bonds in such amount as the authority may prescribe, drawn upon a surety company qualified to do business in the Commonwealth, premium therefor to be paid by the authority. The authority shall establish and maintain an office and the executive director of the authority shall maintain therein complete records of the authority's actions and proceedings, as public records open to inspection.

SECTION 5. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

The authority and lessee may enter into any agreement, lease, or contract with respect to any project. The lessee shall upon the execution of any lease assume full responsibility for the maintenance and repair of the structure. All maintenance and repair made by the lessee shall be subject to the approval of the authority. Aside from this maintenance provision, any lease may contain, in substance, any of the provisions set forth in this section and such other provisions not inconsistent herewith as the authority and the lessee may deem appropriate and desirable:

(1) That the lease is for any number of years;

(2) That the lessee will maintain and operate the building occupied, and a specified area of the grounds. The cost of maintenance and operation will be considered in establishing the rental fee for such facilities and land;

(3) That as to the cost of maintaining, repairing, and operating the project, the lessee is contractually bound for the entire period of years until the final duration of the contract period. If the bonds on the project have not been retired at the end of the contract period, the lessee shall have an exclusive option to renew such lease for a like period as the first lease contract was for.

SECTION 6. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

(1) The authority may provide for the issuance of revenue bonds to pay all or any part of the cost of any projects undertaken pursuant to an agreement and lease. The total amount of outstanding principal of all bonds issued by the authority shall not exceed two hundred million dollars ($200,000,000) unless any bonds issued which would increase the outstanding principal of the bonds issued by the authority to an amount in excess of two hundred million dollars ($200,000,000) are federally insured or guaranteed. The principal and interest on such bonds are payable solely from the funds provided for such payment. Any issue may be in one or more series and any such series may enjoy equal or subordinate status with respect to the pledge of funds from which they are payable, shall be dated, shall bear interest at such rate or rates as determined by the authority, shall mature at such time or times not exceeding forty (40) years from their date or dates, all as may be provided by the authority, and may be made redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority prior to the issuance of the bonds. The authority shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination of the bonds and the place or places for payment of principal and interest, which may be at any bank or trust company within or without the Commonwealth. The bonds shall be signed by the facsimile signature of the chairman of the authority, and the seal of the authority or a facsimile thereof shall be affixed thereto and attested by the manual signature of the executive director of the authority, and any coupons attached thereto shall bear the facsimile signature of the chairman of the authority. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. All bonds issued under the provisions of this Act have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code, KRS Chapter 355. The bonds may be issued in coupon or in registered form, or both, as the authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. The authority may sell such bonds in such manner, either at public or private sale and for such price as it may determine will best effect the purposes of this Act.

(2) The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the project or projects for which such bonds shall have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the authority may provide in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue exceed such cost, the surplus shall be deposited to the credit of the sinking fund or funds for such bonds or any account or accounts therein as the authority shall have provided in the proceedings or trust indenture authorizing and securing such bonds.

(3) Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The authority may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds may be issued under the provisions of this Act without obtaining the consent of any department, division, commission, board, bureau or agency of the Commonwealth, and without any proceedings or any other conditions or things, except as specifically required by this Act.

SECTION 7. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

Bonds issued by the authority under the provisions of this Act do not constitute a debt of the Commonwealth or of any political subdivision thereof, or a pledge of the faith and credit of the Commonwealth or of any such political subdivision, but such bonds shall be payable solely from the funds provided therefor under the provisions of this Act. All such revenue bonds shall contain on the face thereof a statement to the effect that neither the Commonwealth nor the authority shall be obligated to pay the same or the interest thereon except from revenues of the project for which they are issued, including rentals under a lease of such project.

SECTION 8. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

In the discretion of the authority, any bonds issued under the provisions of this Act may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company in or out of Kentucky. Such trust indenture or the proceedings providing for the issuance of such bonds may pledge or assign the rents and other revenues to be received. The trust indenture or proceedings may contain provisions for protecting and enforcing the rights and remedies of the bondholders which are reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation, and insurance of the project or projects in connection with which such bonds are authorized, the rates of toll or rental charges, and the custody, safeguarding and application of all moneys. It is lawful for any bank or trust company which may act as depository of the proceeds of bonds or of revenues to furnish such indemnifying bonds or to pledge such securities as may be required by the authority. Any such trust indenture may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition, any such other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust indenture or proceedings may be treated as a part of the cost of the operation of the project or projects.

SECTION 9. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

Any holder of bonds issued under the provisions of this Act or any of the coupons appertaining thereto, and the trustee under any trust indenture, except to the extent the rights herein given may be restricted by such trust indenture, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the Commonwealth or granted under the provisions of this Act or under such trust indenture or proceedings to be performed by the authority or by any officer or employes thereof, including the fixing, charging, and collecting of rents.

SECTION 10. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

Bonds issued by the authority are securities in which all public officers and public bodies, agencies, and instrumentalities of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of a similar nature may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or other obligations of the Commonwealth is now or may hereafter be authorized by law.

SECTION 11. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

The authority may provide for the issuance of revenue refunding bonds for the purpose of refunding any bonds then outstanding which shall have been issued under the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, and, if the authority shall so determine, for the additional purpose of construction improvements, extensions, or enlargements of the project or projects in connection with which the bonds to be refunded shall have been issued. The authority may also provide for the issuance of its revenue bonds for the combined purpose of (1) refunding any bonds then outstanding which are issued under the provisions of this Act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, and (2) paying all or any part of the cost of any additional project or projects. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties, and obligations of the authority in respect of the same, shall be governed by the provisions of this Act insofar as the same may be applicable.

SECTION 12. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

All moneys received under the provisions of this Act either from the sale of bonds or as revenues, are trust funds to be held and applied solely as provided in this Act. The proceedings or the trust indenture shall provide that any officer with whom, or any bank or trust company with which, such moneys are deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulation as this Act and such proceedings or trust indenture may provide.

SECTION 13. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

The authority is not required to pay taxes or assessments of any nature whatsoever upon any project or projects owned by the authority or by the authority to the department, any person or privately owned corporation; or any property acquired or used by the authority under the provisions of this Act; or upon the incomes or revenues from the lease or use of such property. Nor will there be any tax or assessment of the Commonwealth on any bonds issued under the provisions of this Act, their transfer or the income therefrom which included any profit made on the sale of such bonds.

SECTION 14. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

The authority may purchase, whenever it shall deem such purchase expedient, from funds provided pursuant to the provisions of this Act, lands, structures, property, rights, rights of way, franchises, easements and other interests in land, including lands lying under water and riparian rights, which are located within the Commonwealth, as it may deem necessary or convenient for the construction and operation of any project, upon such terms and at such prices as may be considered by it to be reasonable and can be agreed upon between it and the owner thereof, and to take title thereto in the name of the authority.

SECTION 15. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

Except as otherwise provided in the agreement or lease relating thereto, each project when constructed and opened shall be maintained and kept in good condition and repair by lessee under the terms and provisions of such agreement or lease, and shall be operated and maintained by such lessees, and other operating and maintenance employes, as the lessee may in its discretion employ, and the lessee shall not be reimbursed for the cost thereof unless expressly otherwise provided in such agreement or lease.

SECTION 16. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

The authority may dispose of any project by conveying the project to the department or other lessee when all bonds issued under the provisions of this Act in connection with any project or projects and the interest thereon shall have been paid or a sufficient amount for the payment of all such bonds and the interest thereon to the maturity thereof shall have been set aside in trust for the benefit of the bondholders.

SECTION 17. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

All private property damaged or destroyed in carrying out the powers granted by the provisions of this Act shall be restored or repaired and placed in its original condition as nearly as practicable or adequate compensation made therefor by the authority.

SECTION 18. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

The department of energy may in its discretion expend such moneys as may be necessary for the study of any project or projects and employ consulting engineers for the purpose of effecting such study, and pay for such additional engineering and other expert studies as it deems expedient. All such expenses incurred by the department prior to the issuance of revenue bonds under the provisions of this Act shall be paid by the department and charged to the appropriate project, and the department shall keep proper records and accounts showing each amount so charged. Upon the sale of revenue bonds of the authority for any project, the funds so expended by the department in connection with such project may be reimbursed by the authority to the department from the proceeds of such bonds, if provision to that effect is made in the proceedings or trust indenture authorizing and securing such bonds.

SECTION 19. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

By January 30 each year the authority shall make an annual report of its activities for the preceding calendar year to the governor and to the general assembly. Each such report shall set forth a complete operating and financial statement covering its operations during the year. The authority shall provide for an audit of its books and accounts to be made at least once in each year by certified public accountants, and the cost thereof may be treated as a part of the cost of construction or operation of the project. Such audits shall be public records within the meaning of KRS 171.650 and 61.872.

SECTION 20. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

No office or employe of the authority shall have any interest, direct or indirect, in the sale or purchase of any bonds authorized by this Act. Violation of this provision shall be punishable by a fine of not more than one thousand dollars ($1,000) or by imprisonment for not more than one (1) year, or both.

SECTION 21. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

This Act provides an additional and alternative method for the doing of the things authorized thereby, and supplements and adds to power conferred by other laws, and is not in derogation of any powers now existing; provided, however, that the issuance of revenue bonds or revenue refunding bonds by the authority under the provisions of this Act need not comply with the requirements of any other law applicable to the issuance of bonds.

SECTION 22. A NEW SECTION OF KRS CHAPTER 152A IS CREATED TO READ AS FOLLOWS:

(1) The authority shall submit proposals to issue bonds to the capital construction and equipment purchase oversight committee for review. Each proposal to issue bonds shall include a bond prospectus. If the committee approves a proposal submitted to it by the authority, the bonds described by the bond prospectus may be issued.

(2) In the event that the capital construction and equipment purchase oversight committee objects to a proposal submitted to it in accordance with subsection (1), the committee shall attach to the proposal a written notation of its objection and shall return the proposal to the authority.

(3) In the event that the general assembly is not in regular session a proposal objected to by the committee shall be referred to the interim joint appropriations and revenue committee for review. If the general assembly is in regular session, a proposal objected to by the committee shall be referred to the standing appropriations and revenue committees for review. If the bond issue described by the bond prospectus is approved by the interim joint committee or by the standing committees, it may be issued. If the interim joint committee or the standing committees object to a proposal, a written notation of the objection shall be returned to the authority.

(4) No bonds may be issued by the authority unless a proposal to issue bonds has been reviewed and approved by the capital construction and equipment purchase oversight committee or by the interim joint appropriations and revenue committee or standing appropriations and revenue committees.

SECTION 23. The provisions of this Act are not severable and if any provision is held invalid, the entire Act shall be held invalid.

The Committee Amendment No. 1 to **SB 245** is as follows:

Amend printed copy of **SB 245,** page 3, line 4, by deleting "eleven (11)" and inserting in lieu thereof "sixteen (16)"; and

On page 3, line 8, by inserting after "members." the following: "Three (3) members shall be members of the house of representatives appointed by the speaker of the house of representatives and two (2) members shall be members of the senate appointed by the president pro tempore of the senate."; and

On page 3, line 19, by deleting "eleven (11)" and inserting in lieu thereof "sixteen (16)"; and

On page 4, line 9, by deleting "six (6)" and inserting in lieu thereof "nine (9)".

SB 293, AN ACT relating to state personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 18.110 is amended to read as follows:

As used in KRS 18.110 to 18.360, unless the context indicates otherwise:

(1) "Appointing officer" means the officer or employe or group of officers or employes authorized by law to make appointments;

(2) "Board" means the personnel board created by KRS 18.160;

(3) "Certification" means the referral of the name of one or more qualified prospective employes by the commissioner of personnel on request of an appointing officer for consideration in filling a position in the classified service;

(4) "Class" means a group of positions sufficiently similar as to duties performed, scope of discretion and responsibility, minimum requirements of training, experience, or skill, and such other characteristics that the same title, the same tests of fitness, and the same schedule of compensation have been or may be applied to each position in the group;

(5) "Classified service" includes all the employment subject to the terms of this chapter except for those positions expressly cited in KRS 18.140; a "classified position" is a position in the classified service;

(6) "Demotion" means a change in the rank of an employe from a position in one (1) class to a position in another class having a lower minimum salary range and less discretion or responsibility;

(7) "Department" means the department of personnel provided for in KRS 18.160 unless the context indicates otherwise;

(8) "Eligible" refers to a person who has made a passing score on any examination required under KRS 18.110 to 18.360 and who has qualified to be placed on a register;

(9) "Emergency employe" means an employe appointed without regard to the examination requirements of KRS 18.110 to 18.360 to any position by reason of a governmental emergency, whose appointment is not to exceed thirty (30) working days in duration and is nonrenewable;

(10) "Employe" means a person regularly appointed to a position in the state service for which he is compensated on a full-time or part-time basis;

(11) "Position" means an office or employment in an agency (whether part-time, full-time, permanent, temporary, seasonal, federally funded time-limited, or emergency, occupied or vacant) involving duties requiring the services of one (1) person;

(12) "Probation" means the period of service following appointment to any position under KRS 18.110 to 18.360 which requires special observation and evaluation of an employe's work and which must be passed successfully before status may be conferred as provided in KRS 18.210. An employe serving the probationary period is known as a "probationary employe";

(13) "Promotion" means a change of rank of an employe from a position in one (1) class to a position in another class having a higher minimum salary and carrying a greater scope of discretion or responsibility;

(14) "Provisional employe" means any employe appointed on a temporary or interim basis to a permanent position under KRS 18.110 to 18.360 without examination, such appointment being made necessary by the absence of a register for the position involved and by the time limitations and prohibition on renewal as defined in KRS 18.210;

(15) "Re-employment list" means the separate list of names of persons reduced in force by reason of lack of appropriations, curtailment of program or abolishment of position or of organizational unit, and through no fault of their own, who have requested the opportunity for further consideration of state employment. Re-employment lists are used as provided in KRS 18.210;

(16) "Register" means any official list of eligibles for a particular class placed in rank order according to the examination records, maintained for use in making original appointments or promotions to positions in the classified service;

(17) "Status" means the acquisition of tenure with all rights and privileges appertaining thereunto after satisfactory completion of the probationary period by an employe in the classified service;

(18) A "temporary position" is one created for a defined period of time not to exceed six (6) months and not renewable; a "temporary employe" is one (1) appointed to such a temporary position. A "seasonal position," although temporary in duration in the foregoing sense, coincides in duration with a particular season or seasons of the year, but may not exceed eleven (11) months duration, and may recur regularly from year to year; a "seasonal employe" is one appointed to such a seasonal position from an existing eligible list or without reference to an eligible list;

(19) A "federally funded time-limited position" is one created for the specific purpose of providing public service employment or one-time special or research project services for a limited period of time and shall not exceed the period of time for which that specific federal funding is provided. A "federally funded time-limited" employe is one appointed to such position and, except as provided in KRS 18.140, may in all other respects be entitled to the benefits provided permanent, full-time regular employes as defined in KRS 18.110 to 18.360;

(20) "Transfer" means a movement of any employe from one (1) position to another of the same grade having the same salary ranges and the same level of responsibility within the classified service;

(21) A "war veteran" is a person who served on active duty in the United States armed forces during any war, or in a campaign or expedition for which a campaign badge or service medal has been authorized, or between April 28, 1952, and July 1, 1955 *or between August 6, 1964 and May 7, 1975.*

Section 2. KRS 18.140 is amended to read as follows:

(1) The classified service to which KRS 18.110 to 18.360 shall apply shall comprise all positions in the state service now existing or hereafter established, except the following:

(a) The general assembly and employes of the general assembly including the employes of the legislative research commission;

(b) Officers elected by popular vote and persons appointed to fill vacancies in elective offices;

(c) Members of boards and commissions;

(d) Officers and employes on the staff of the governor, the lieutenant governor, the office of the secretary of the governor's cabinet, and the office of program administration;

(e) Cabinet secretaries, *commissioners,* department heads, bureau commissioners and the administrative heads of all boards and commissions;

(f) One (1) principal assistant or deputy for each person exempted under subsection (1)(e) of this section;

(g) One (1) additional principal assistant or deputy as may be necessary for making and carrying out policy for each person exempted under subsection (1)(e) of this section in those instances in which the nature of the functions, size or complexity of the unit involved are such that the commissioner of personnel approves such an addition on petition of the relevant cabinet secretary or department head and such other principal assistants, deputies, or other major assistants as may be necessary for making and carrying out policy for each person exempted under subsection (1)(e) of this section in those instances in which the nature of the functions, size or complexity of the unit involved are such that the personnel board may approve such an addition or additions on petition of the department head approved by the commissioner of personnel;

(h) Division directors subject to the provisions of KRS 18.150;

(i) Physicians employed as such;

(j) One (1) private secretary for each person exempted under subsections (1)(e), (1)(f) and (1)(g) of this section;

(k) The judicial department, referees, receivers, jurors, and notaries public;

(l) Officers and members of the staffs of state universities and colleges and student employes of such institutions; and officers, teachers, and employes of local boards of education;

(m) Patients or inmates employed in state institutions;

(n) Persons employed in a professional or scientific capacity to make or conduct a temporary or special inquiry, investigation, or examination on behalf of the general assembly, or a committee thereof, or by authority of the governor, and persons employed by state agencies for a specified, limited period to provide professional, technical, scientific, or artistic services who are retained pursuant to application procedures, lists of eligibles, and classification and compensation systems developed by the commissioner of personnel and approved by the professional employment commission under the provisions of KRS 45.535;

(o) Seasonal, temporary, and emergency employes;

(p) Federally funded time-limited employes;

(q) Officers and members of the state militia;

(r) *State police troopers and sworn* [Peace] officers in the *bureau of state police,* department of justice;

(s) University or college engineering students or other students employed part-time or part-year by the state through special personnel recruitment programs; provided that while so employed such aides shall be under contract to work full-time for the state after graduation for a period of time approved by the commissioner or shall be participants in a cooperative education program approved by the commissioner;

(t) Superintendents of state mental institutions, including heads of mental retardation centers, and penal and correctional institutions as referred to in KRS 196.180(2);

(u) Staff members of the Kentucky Historical Society, if they are hired in accordance with KRS 171.311;

(v) County and commonwealth's attorneys and their respective appointees.

(2) Nothing in KRS 18.110 to 18.360 is intended, or shall be construed, to alter or amend the provisions of KRS 150.022 and KRS 150.061.

(3) Nothing herein is intended or shall be construed to affect any nonmanagement, nonpolicy-making position which must be included in the classified service as a prerequisite to the grant of federal funds to a state agency.

(4) Classified employes with status promoted to positions exempted from classified service may, upon termination of their employment in the exempted service, revert to their classified status, but not necessarily to a particular position in the classified service.

(5) Nothing herein shall be construed as precluding appointing officers from filling nonclassified positions in the manner in which positions in the classified service are filled except as otherwise provided herein.

Section 3. KRS 18.160 is amended to read as follows:

(1) There shall be created by KRS 18.110 to 18.360 a department of personnel headed by a commissioner who shall be appointed by the governor. There shall also be created a personnel board in which shall be vested the constitutional powers and responsibilities of officers of the Commonwealth. The personnel board shall consist of five (5) members appointed by the governor for four (4) year terms, and the governor shall select citizens of Kentucky known for their devotion to the merit principle in government employment and the improvement of management and professional development of the public service of the state. No member of the personnel board shall be otherwise an employe or officer of the Commonwealth except faculty or staff members of the state universities or colleges. No member of the personnel board shall be a member of any local, state, or national committee of a political party, or an officer or member of a committee in any partisan political club or organization, or shall be or have been a candidate for any elective office within one (1) year prior to appointment. Members of the personnel board shall receive compensation of sixty-five dollars ($65) per diem and reimbursements of travel expenses and other special expenses for each called meeting of the board *or hearing* which they attend. If any board member misses three (3) consecutive meetings for any reason other than illness or temporary absence from the Commonwealth, he shall be deemed to have vacated his office and the governor shall proceed forthwith to appoint a successor to his unexpired term.

(2) The members of the first board shall be appointed by the governor within thirty (30) days of July 1, 1960. Of the members first appointed, one (1) shall serve until January 1, 1961, one (1) until January 1, 1962, one (1) until January 1, 1963, and two (2) until January 1, 1964. Thereafter, each term shall run for four (4) years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy prior to the expiration of such a term shall be appointed for the remainder of the term. Each member of the board shall hold office until his successor is appointed and qualifies.

(3) Members of the personnel board may be removed by the governor only for cause after being given a copy of charges against them and an opportunity to be heard publicly, with the advice of counsel, on such charges against them before the governor and a finding of fact by the governor. A copy of the charges and transcript of the record of the hearing and findings of fact shall be filed with the secretary of state.

(4) The personnel board shall annually elect one (1) of its members chairman. It shall meet at such time and place as shall be specified by call of the chairman or the commissioner of personnel. At least one (1) meeting shall be held each month. All meetings shall be open to the public. Notice of each meeting shall be given in writing to each member by the commissioner of personnel at least three (3) days in advance of the meeting. Three (3) voting members shall constitute a quorum for the transaction of business. The personnel board shall keep records and minutes of its business and official actions, with the commissioner of personnel serving as secretary. Such minutes shall be public records open to public inspection, subject to such reasonable rules as to hours and conditions of inspection as the board may establish. It shall be the duty of the officer or officers charged by law with the custody of the state buildings, upon written request of the personnel board, to assign suitable office space for executing the duties charged to it and to the commissioner of personnel.

Section 4. KRS 18.212 is amended to read as follows:

(1) An honorably discharged war veteran shall have five (5) points added to [his score on] his entrance examination *score* for merit system positions.

(2) Any honorably discharged war veteran whom the veterans administration *or any branch of the armed forces of the United States* [benefit rating board] determines has service-connected disabilities shall have ten (10) points added to his entrance examination score *for a merit system position.*

(3) [Veterans and the spouses, widows, widowers, and parents of veterans shall be eligible for preference points only after passing an appropriate examination.

(4)] The spouse of *an honorably discharged war* [a] veteran [of the armed forces of the United States] who would be eligible for a ten (10) point preference, and whose service-connected disability disqualifies him for positions along the general line of his usual occupation shall *have ten (10) preference points added to his entrance examination score for a merit system position* [be entitled to a ten (10) point preference]. In such a case, the spouse loses the right to preference if the disabled *war* veteran recovers. [Also, if the veteran's military service was peacetime service, his spouse loses the right to preference if he dies.]

(4)[(5)] Until *remarriage* [his spouse remarries], the surviving spouse of an honorably separated *war* veteran [who served on active duty during any war, or during the period April 28, 1952, through July 1, 1955, or in a campaign or expedition for which a United States campaign badge or service medal was authorized] shall *have ten (10) preference points added to his entrance examination score for a merit system position* [be entitled to a ten (10) point preference]. This includes the surviving spouse of a *war veteran* [person meeting any of these service requirements] who died while in the armed forces, unless [the] circumstances surrounding *the* [his] death would have been cause for other than honorable separation.

(5)[(6)] A parent totally or partially dependent on a *war* veteran who lost his life under honorable conditions while on active duty *or active duty for training purposes* [in a war or in a campaign or expedition for which a campaign badge or service medal has been authorized, or during the period April 28, 1952, through July 1, 1955,] or who became permanently and totally disabled *as a result* [because] of a service-connected disability, shall *have ten (10) preference points added to his examination score for a merit system position* [be entitled to a ten (10) point preference].

(6) War veterans and their spouses, widows, widowers, and parents eligible for preference points shall have them added to their entrance examination scores for merit system positions only if the score is determined by the commissioner of personnel to be a passing score and after verification of the required service.

Section 5. KRS 18.310 is amended to read as follows:

(1) No person shall be appointed or promoted to, or demoted or dismissed from, any position in the classified service, or in any way favored or discriminated against with respect to employment in the classified services because of his political or religious opinions or affiliations or ethnic origin or sex or handicap. No person between the ages of forty (40) and *seventy (70)* [sixty-five (65)] shall be discriminated against because of age.

(2) No person shall use or promise to use, directly or indirectly, any official authority or influence, whether possessed or anticipated, to secure or attempt to secure for any person an appointment or advantage

in appointment to a position in the classified service, or an increase in pay or other advantage in employment in any such position, for the purpose of influencing the vote or political action of any person.

(3) No employe in the classified service or member of the personnel board or commissioner shall, directly or indirectly, pay or promise to pay any assessment for political purposes, or solicit or take any part in soliciting for any political party, or solicit or take any part in soliciting any political assessment, subscription, contribution, or service. No person shall solicit any political assessment, subscription, contribution, or service of any employe in the classified service.

(4) No employe in the classified service shall be a member of any national, state, or local committee of a political party, or an officer or member of a committee of a partisan political club, or a candidate for nomination or election to any paid public office, or shall take part in the management or affairs of any political party or in any political campaign, except to exercise his right as a citizen privately to express his opinion and to cast his vote. Officers or employes of the classified service may be candidates for and occupy a town or school district office if the office is one for which no compensation, other than a per diem payment, is provided and the election is on a nonpartisan basis.

Section 6. KRS 18.470 is amended to read as follows:

(1) The term "health maintenance organization" for the purposes of this section, means a health maintenance organization as defined in KRS 304.38-030, which has been licensed by the Kentucky health facilities and health services certificate of need and licensure board and issued a certificate of authority by the department of insurance as a health maintenance organization and which is qualified under the requirements of the United States department of health, education and welfare except as provided in subsection (2) of this section.

(2) The secretary of the executive department for finance and administration, upon the recommendation of the commissioner of personnel, may procure from one (1) or more *health,* hospitalization, *medical, major medical and dental* insurance companies or from one (1) or more health maintenance organizations authorized to do business in this state, a policy or policies of group *health,* hospitalization, *medical, major medical and dental* insurance or health maintenance organization coverage encompassing all or any class or classes of state employes. All state employes for whom such [hospitalization] insurance or health maintenance organization coverage is provided shall annually be given an option to elect either standard *insurance* [hospitalization] coverage or coverage by a health maintenance organization; except that if a qualified health maintenance organization is not engaged in providing basic health services in a health maintenance service area in which at least twenty-five (25) of such employes reside, the state employes may annually be given the option to elect either standard *insurance* [hospitalization] coverage or coverage by a health maintenance organization which has been licensed by the Kentucky health facilities and health services certificate of need and licensure board and issued a certificate of authority by the department of insurance as a health maintenance organization and which is engaged in providing basic health services in a health maintenance service area in which at least twenty-five (25) of such employes reside. The policy or policies shall be approved by the commissioner of insurance and may contain such provisions as he approves whether or not otherwise permitted by the insurance laws. It is intended that either [hospitalization] insurance or health maintenance organization coverage may be made available for state employes, except that the procuring of each is permissive.

(3) The premiums may be paid by the policyholder:

(a) Wholly from funds contributed by the insured employe, by payroll deduction or otherwise;

(b) Wholly from funds contributed by the state or department, board or agency; or

(c) Partly from each, except that any premium due for health maintenance organization coverage over the premium amount contributed by the state or department, board or agency for any other [hospitalization] insurance coverage shall be paid by the employe.

(4) If an employe moves his place of residence or employment out of the service area of a health maintenance organization, under which he has elected coverage, into either the service area of another health maintenance organization or into an area of the state not within a health maintenance organization service area, such employe shall be given an option, at the time of the move or transfer, to elect coverage either by the health maintenance organization into which service area he moves or is transferred or to elect standard *insurance* [hospitalization] coverage offered by the employer.

(5) No payment of premium by the state or department, board or agency shall constitute compensation to an insured employe for the purposes of any statute fixing or limiting the compensation of such an employe. Any premium or other expense incurred by the state or department, board or agency shall be considered a proper cost of administration.

(6) The policy or policies may contain such provisions with respect to the class or classes of employes covered, amounts of insurance or coverage for designated classes or groups of employes, policy options, terms of eligibility, continuation of insurance or coverage after retirement, and such other provisions as the commissioner of insurance may approve.

(7) The secretary of the executive department for finance and administration is authorized to perform all acts necessary or advisable for the purpose of contracting for and maintaining [hospitalization] insurance and health maintenance organization coverage under the provisions of this section.

SB 300, AN ACT relating to the state fair board.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 247.140 is amended to read as follows:

(1) The state fair board:

(a) Shall have the custody and control of such property as now is under its custody and control, and of such property as may hereafter be placed under its control or transferred to it by the state property and buildings commission, for any purposes mentioned in this section and the physical properties so under its custody and control or transferred to it are hereinafter referred to in this section, and in KRS 247.150 and 247.160, as the "state fair grounds and an area in a city of the first class to be used as an exhibition center."

(b) May erect and repair buildings on the state fair grounds and exhibition center, make any and all necessary or proper improvements, and generally carry on a program of development and extension of facilities designed to accomplish the objects defined in this section.

(c) Shall promote the progress of the state and stimulate public interest in the advantages and development of the state by providing the facilities of the state fair grounds for agricultural and industrial exhibitions, public gatherings, cultural activities, and other functions calculated to advance the educational, physical and cultural interests of the public and by providing the facilities of the exhibition center for conventions, trade shows, public gatherings and other functions calculated to advance and enhance the visitor industry, economy, entertainment, cultural and educational interests of the public.

(d) May hold an annual fair on the state fair grounds, for the exhibition of agricultural, mechanical, horticultural, dairy, forestry, poultry, livestock, mineral, and all other industrial interests of the state, and prepare premium lists and establish rules of exhibition for the fair.

(e) May purchase liability insurance for the members and executive officers exempted from the classified service of the state by KRS 18.140.

(2) The state fair board may take, acquire and hold property, and all interest therein, by deed, gift, devise, bequest, lease, or eminent domain, or by transfer from the state property and buildings commission, and may dispose of any property so acquired in the manner provided by law. In the exercise of its power of eminent domain it shall proceed in the manner provided in the Eminent Domain Act of Kentucky.

The Committee on State Government reported **HB 889** and **SB 33** with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee on Natural Resources and Environment reported **SB 333** with Committee Substitute attached thereto, and **SB 267** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 333, AN ACT relating to waste management.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 224.005 is amended to read as follows:

As used in this chapter unless the context clearly indicates otherwise:

(1) "Air contaminant" includes smoke, dust, soot, grime, carbon, or any other particulate matter, radioactive matter, noxious acids, fumes, gases, odor, vapor, or any combination thereof;

(2) "Air contaminant source" means any and all sources of emission of air contaminants, whether privately or publicly owned or operated. Without limiting the generality of the foregoing, this term includes all types of business, commercial and industrial plants, works, shops, and stores, and heating and power plants and stations, buildings and other structures of all types, including single and multiple family residences, apartments, houses, office buildings, public buildings, hotels, restaurants, schools, hospitals, churches, and other institutional buildings, automobiles, trucks, tractors, buses and other motor vehicles, garages and vending and service locations and stations, railroad locomotives, ships, boats and other waterborne craft, portable fuel-burning equipment, incinerators of all types (indoor and outdoor), refuse dumps and piles, and all stack and other chimney outlets from any of the foregoing;

(3) “Air pollution” means the presence in the outdoor atmosphere of one or more air contaminants in sufficient quantities and of such characteristics and duration as is or threatens to be injurious to human, plant, or animal life, or to property, or which unreasonably interferes with the comfortable enjoyment of life or property;

(4) “Cesspool” means a cavity in the ground which receives human excrement and domestic wastes to be partially absorbed directly by the surrounding soil;

(5) “Commission” means the environmental quality commission;

(6) “Secretary” means the secretary for natural resources and environmental protection;

(7) “Department” means the department for natural resources and environmental protection;

(8) “Disposal” means the discharge, deposit, injection, dumping, spilling, leaking or placing of any waste into or on any land or water so that such waste or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including ground waters;

(9) “District” means an air pollution control district as provided for in KRS chapter 77;

(10) “Effluent limitations” means any restrictions or prohibitions established under state law which includes, but is not limited to, effluent limitations, standards of performance for new sources, and toxic effluent standards on quantities, rates, and concentrations of chemical, physical, biological, and other constituents which are discharged into waters;

(11) “Generating” means the act or process of producing wastes;

(12) “Person” means any individual, public or private corporation, political subdivision, government agency, municipality, copartnership, association, firm, trust, estate, or other entity whatsoever;

(13) “Publicly owned treatment works” means any facility for the treatment of pollutants owned by the state, any political subdivision thereof, municipality, or other public entity;

(14) “Recycling” means any process by which wastes are transformed into new products, useful materials, products, or energy;

(15) “Schedule of compliance” means a schedule of remedial measures including an enforceable sequence of actions or operations leading to compliance with any limitation or standard;

(16) “Seepage pit” means a dry well, leaching pit or any other cavity in the ground which receives the liquid discharge of a septic tank;

(17) “Septic tank” means a septic toilet, chemical closet and any other watertight enclosure used for storage and decomposition of human excrement and domestic wastes;

(18) “Sewage system” means individually or collectively those constructions or devices used for collecting, pumping, treating, and disposing of liquid or waterborne sewage, industrial wastes or other wastes;

(19) “Waste disposal site or facility” means any place where [solid] waste is managed, processed or disposed of by incineration, landfilling or any other method;

(20) “Storage” means the containment of [hazardous] wastes, either on a temporary basis or for a period of years, in such a manner as not to constitute disposal of such [hazardous] wastes;

(21) “Tank” means any container when placed on a vehicle to carry in transport wastes removed from a septic tank, cesspool or seepage pit;

(22) “Transportation” means any movement of [hazardous] waste by any mode, and any loading, unloading, or storage incidental thereto;

(23) “Treatment” means any method, technique, or process designed to alter the physical, chemical, or biological character or composition of any pollutant or [hazardous] waste so as to render it less hazardous, nonhazardous, safer for transport, amenable to recycling, amenable to storage, or reduced in volume;

(24) “Waste” means:

(a) “Hazardous waste” means any *discarded material or* [waste] substance or combination of substances, in any form which because of its quantity, concentration or physical, chemical or infectious characteristics may *cause, or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed* [create a threat to public health or to animal, plant, and aquatic life forms, and includes but is not limited to substances which are toxic, flammable, corrosive, radioactive, irritants, strong sensitizers, or which generate pressure through decomposition, heat or other means]; nothing in this chapter shall be construed to apply to any activity or substance which is subject to the federal atomic energy act of 1954 or to wastes produced by livestock;

(b) “Solid waste” means *any garbage, refuse, sludge from a waste treatment plant, water supply treatment plant, or air pollution control facility and other discarded material, including solid, liquid, semisolid, or contained gaseous material resulting from industrial, commercial, mining and agricultural operations, and from community activities, but does not include solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows or industrial discharges which are point sources subject to permits under section 402 of the federal water pollution control act, as amended (86 Stat. 880), or source, special nuclear, or by product material as defined by the atomic energy act of 1954, as amended*

(68 Stat. 923) [all putrescible and nonputrescible refuse in solid, semi-solid, liquid and contained gaseous form, but does not include sewage. Solid waste includes but is not limited to garbage, rubbish, ashes, incinerator residue, street refuse, dead animals, demolition wastes, construction wastes, solid commercial and industrial wastes, residential wastes, and special wastes including explosives, pathological and radioactive materials];

(25) "Water" or "waters of the Commonwealth" means and includes any and all rivers, streams, creeks, lakes, ponds, impounding reservoirs, springs, wells, marshes and all other bodies of surface or underground water, natural or artificial, situated wholly or partly within or bordering upon the Commonwealth or within its jurisdiction;

(26) "Water pollution" means the alteration of the physical, thermal, chemical, biological, or radioactive properties of the waters of the Commonwealth in such a manner, condition, or quantity that will be detrimental to the public health or welfare, to animal or aquatic life or marine life, to the use of such waters as present or future sources of public water supply or to the use of such waters for recreational, commercial, industrial, agricultural or other legitimate purposes;

(27) "Pollutant" means and includes dredged spoil, solid waste, incinerator residue, sewage, sewage sludge, garbage, chemical, biological or radioactive materials, heat, wrecked or discarded equipment, rock, sand, soil, industrial, municipal or agricultural waste, and any substance resulting from the development, processing or recovery of any natural resource which may be discharged into water;

(28) "NPDES" means national pollutant discharge elimination system*;*

(29) "Open dump" means any facility or site for the disposal of solid waste which does not meet the criteria for a sanitary landfill promulgated under section 4004, resource conservation and recovery act, PL 94-580, and which is not a facility for disposal of hazardous waste;

(30) "Solid waste management" means any and all processes by which solid waste is collected, transported, stored, separated, processed, or disposed in any manner according to an orderly and planned program of a county or multi-county solid waste management area duly approved by the department;

(30) "Solid waste management facility" means any solid waste treatment and handling or disposal facility, interim holding or transfer facility, or volume reduction plant consisting of, but not limited to, structures, incinerators, pulverizers, compactors, graters, shredders, balers, roller grates, heat transferral units, steam and energy generating units and other related facilities which accept and process solid wastes.

Section 2. KRS 224.217 is amended to read as follows:

(1) The secretary *of the department for natural resources and environmental protection* [for finance and administration in consultation with the administrator of the Kentucky center for energy research and other appropriate agencies,] shall *assume the primary responsibility* [attempt to implement by January 1, 1979, a pilot project] in state government *for implementing a program* to recycle used [ledger-grade] paper *products*, produced by *all* [one (1) or more] agencies of state government[, as a trial program for the Commonwealth and shall report to the legislative research commission by July 1, 1979, on the effectiveness and viability of the program and make recommendations for a statewide program if appropriate].

(2) The secretary of the department *for natural resources and environmental protection* [of energy] shall take or cause to be taken actions as may be necessary to:

(a) Identify the geographical location of existing or potential markets for recovered materials and energy generated;

(b) Identify the economic and technical barriers to the use of recovered materials and energy generated;

(c) Identify sound technologies, techniques, and processes for resource recovery and energy generated applicable to both urban and rural areas of Kentucky;

(d) Encourage the development of new uses for recovered materials; *and*

(e) Encourage and promote the development of new markets for recovered materials[; and

(f) A summary of the findings and actions taken and any recommendations resulting therefrom shall be transmitted to the governor and to the 1980 general assembly].

(3) Funds received by the department for natural resources and environmental protection from recycling efforts as described in this section shall be utilized by the department to defray the cost of conducting the activities outlined in this section. Any monies generated in excess of the amounts needed to conduct these activities shall be placed in the resource conservation recovery and beautification fund and be used for other litter abatement activities.

Section 3. KRS 224.255 is amended to read as follows:

(1) No person shall transport to or dispose of [hazardous] waste at any site or facility other than a site or facility for which a permit for [hazardous] waste disposal has been issued by the department. Upon request, any transporter of [hazardous] waste shall receive from the department a current list of permitted [hazardous] waste disposal sites or facilities and shall be subsequently notified of any new permits or changes in the status of permits for [hazardous] waste disposal sites and facilities in the Commonwealth.

(2) The use of open dumps is prohibited.

Section 4. KRS 224.850 is amended to read as follows:

(1) For purposes of KRS 224.850 and 224.852 only, "pollution control facility" shall mean and include:

(a) Any property designed, constructed, or installed as a component part of any commercial or industrial premises for the primary purpose of eliminating or reducing the emission of, or ground level concentration of, particulate matter, dust, fumes, gas, mist, smoke, vapor, or odorous substances, or any combination thereof which renders air harmful or inimical to the health of persons or to property within this Commonwealth;

(b) Any disposal system or any treatment works, pre-treatment works, appliance, equipment, machinery, or installation constructed, used, or placed in operation primarily for the purpose of reducing, controlling, or eliminating thermal pollution or water pollution caused by industrial waste, or what would be industrial waste, if discharged into the waters of the Commonwealth;

(c) Any disposal system or any appliance, equipment, machinery or installation constructed, used or placed in operation primarily for disposing of [solid] waste, [or] converting [solid] waste into an item of real economic value *or converting hazardous waste to nonhazardous waste*;

(d) Any property designed, constructed, or installed as a component part of any commercial or industrial premises for the primary purpose of eliminating or reducing the emission of sound which is harmful or inimical to the health of persons or to property, or materially reduces the quality of the environment in this Commonwealth;

(e) Any property designed, constructed, or installed for the primary purpose of removing substances from raw materials, which substances, if permitted to become a component part of the finished product, would have a deleterious effect on the environment when the finished product was utilized.

(2) "Industrial waste" means any liquid, gaseous, or solid waste substance resulting from any process of industry, manufacture, trade, or business, or from the development, processing, or recovery of any natural resource, together with such sewage as is present, which pollutes the waters of the Commonwealth.

(3) "Solid waste" means *any garbage, refuse, sludge from a waste treatment plant, water supply treatment plant, or air pollution control facility and other discarded material, including solid, liquid, semi-solid, or contained gaseous material resulting from industrial, commercial, mining, and agricultural operations, and from community activities, but does not include solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows or industrial discharges which are point sources subject to permits under section 402 of the federal water pollution control act, as amended (86 Stat. 880), or source, special nuclear, or by product material as defined by the atomic energy act of 1954, as amended (68 Stat. 923)* [all putrescible and nonputrescible refuse in solid, semi-solid, liquid and contained gaseous form, but does not include sewage. Solid waste includes but is not limited to garbage, rubbish, ashes, incinerator residue, street refuse, dead animals, demolition wastes, construction wastes, solid commercial and industrial wastes, residential wastes, and special wastes including explosives, pathological and radioactive materials].

(4) "Treatment works" means any plant, disposal field, lagoon, dam, pumping station, incinerator, or other works used for the purpose of treating, stabilizing, or holding sewage, industrial waste, or other wastes.

(5) "Water pollution" shall mean the placing of any noxious or deleterious substances in any waters of the Commonwealth which render such waters harmful or inimical to aquatic life, or to the use of such waters for domestic water supply, or industrial or agricultural purposes or for recreation.

(6) "Waters of the Commonwealth" means all streams, lakes, ponds, marshes, watercourses, waterways, wells, springs, irrigation systems, drainage systems, and all other bodies or accumulations of water, surface and underground, natural or artificial, which are situated wholly or partly within, or border upon, this Commonwealth, or are within its jurisdiction, except those private waters which do not combine or effect a junction with natural surface or underground waters.

(7) "Department" shall mean the Kentucky department for natural resources and environmental protection.

(8) "Pollution control tax exemption certificate" shall mean that certificate issued by the department pursuant to KRS 224.852.

Section 5. KRS 224.855 is amended to read as follows:

(1) No permit shall be issued until a complete application has been submitted to *and approved by* the department and *notice of* the [applicant has published that he has made] application for a waste disposal site or facility *has been published at the expense of the applicant* in a manner reasonably calculated to inform that portion of the public which is most likely to be affected by the operation of the proposed waste disposal site or facility. *The publication shall take place after the department has made a preliminary determination of the application.*

(2) At a minimum, publication shall be made at least once by advertisement in a daily or weekly newspaper of general circulation in the locality where the proposed site is to be located.

(3) The contents of the public notice of an application for a waste disposal site or facility shall include the following:

(a) The name and address of the applicant;

(b) A brief description of the activity for which a permit is being sought;

(c) A description of the proposed location;

(d) The name and address of this department; and

(e) The following statement: "Any person who may be aggrieved by the issuance of a permit for this proposed waste disposal site or facility may file with the department a petition which sets forth the grounds of the objection and demand a hearing pursuant to KRS 224.081(2)." Such hearing shall be held within the county where the solid waste disposal site or facility is proposed.

(4) No permit shall issue until at least thirty (30) days have expired following publication of the application. The applicant for a permit must establish the date of publication by a verified affidavit from the newspaper which publishes the advertisement. If a hearing is requested, no permit shall be issued prior to a completed hearing.

(5) No permit shall be issued by the department for a hazardous waste disposal site for long-lived wastes that may require long term or perpetual care and maintenance except with the consent and approval of a majority of the members of the Kentucky house of representatives, a majority of the members of the Kentucky senate and the approval of the governor of Kentucky.

(6) Before an application to locate such a hazardous waste disposal site in Kentucky can be submitted for approval to the Kentucky general assembly, it must first receive the approval of the secretary of the department for natural resources and environmental protection. It shall be the responsibility of the department for natural resources and environmental protection to ensure that a comprehensive environmental impact statement is submitted and that public hearings are held in the county in which it is proposed to locate such a hazardous waste disposal site.

Section 6. KRS 224.880 is amended to read as follows:

No person shall establish, construct, operate, maintain, or permit the use of a [solid] waste disposal site or facility without first having obtained a permit from the department to establish, construct, maintain, operate or permit the use of the *waste disposal* site or facility pursuant to rules and regulations promulgated by the department.

SECTION 7. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) The department shall promulgate regulations which establish standards for the operator of any waste disposal site or facility or portion thereof, whether publicly or privately owned, requiring such operators to do the following:

(a) Attend a training session concerning the operation of the appropriate type waste disposal facility conducted by the department for natural resources and environmental protection;

(b) Indicate sufficient skill and competency for proper operation of the waste disposal site by adequate performance on an examination prescribed by the department for natural resources and environmental protection;

(c) Pay a reasonable fee related to the cost of conducting training and certification sessions to be utilized to defray the cost of conducting the sessions; and

(d) Renew the certificates of competence at reasonable intervals.

(2) No person shall authorize or allow any person who does not hold a certificate issued pursuant to subsection (1) of this section to have primary responsibility for the operation of any waste disposal site or facility or portion thereof.

SECTION 8. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) Before the department may issue a permit to operate a solid waste disposal site or facility, the operator shall file with the department a bond payable to the Commonwealth of Kentucky with surety satisfactory to the department in a sum to be determined by the department on the recommendation of the secretary of each acre or fraction thereof of the area of land affected, with a minimum bond of ten thousand dollars ($10,000) per site, conditioned upon the faithful performance of the requirements in this chapter and of the rules and regulations of the department to insure satisfactory closure of the facility. The department may accept liquid or semi-liquid assets deposited in an escrow account for the operating life of the landfill plus not less than two (2) additional years as an alternative guarantee of adequate financial responsibility for closure of the facility.

(2) An operator may at any time during the term of the permit apply to the department for an amendment of the permit so as to increase or reduce the acreage affected by it. The operator shall file an application and map in the same form and with the same content as required for an original application under this chapter and shall pay a basic fee set by regulation bearing a reasonable relationship to the cost of processing the permit application and shall file with the department a supplemental bond for each acre

or fraction of an acre of the increase approved. If the department approved a reduction in the acreage covered by the original or supplemental permit, it shall release the bond for each acre reduced but in no case shall the bond for the site be reduced below ten thousand dollars ($10,000).

(3) When the facility has been filled, covered, graded, seeded and revegetated according to regulations promulgated by the department and approved by the department, the secretary shall release the bond or other guarantee of financial responsibility that has been provided to the department. If such closure requirements are not accomplished by the operator of the facility, the department shall forfeit the bond or demand release of the monies held to guarantee financial responsibility.

(4) All funds from the forfeiture of bonds or other sureties required pursuant to this section shall be placed in the state treasury and credited to a special trust and agency account which shall not lapse. Such account shall be known as the "solid waste disposal site restoration fund" and all monies placed in the fund shall be used solely for the proper closure of solid waste disposal sites and insofar as practicable be used to correct the problems at the same site for which the bond or other sureties were originally provided.

(5) No operator or person shall be eligible to receive another permit to operate a solid waste disposal site or facility who has forfeited any bond or other surety provided pursuant to this section, unless the land for which the bond or other surety was forfeited has been reclaimed without cost to the state, or the operator or person has paid such sum as the department finds is adequate to reclaim such lands.

(6) Where one (1) operator succeeds another at any solid waste disposal site or facility prior to final closure, either by sale, assignment, lease or otherwise, the department may release the first operator from all liability under this section, provided that the successor operator meets the requirements of this section and assumes, as part of his obligation under this chapter, all liability for the reclamation and final closure of the area of land affected by the former operation.

(7) In the reclamation of land affected by incomplete or improper closure of a solid waste disposal site or facility for which it has the funds available, the department may avail itself of any services which may be provided by other state agencies or by agencies of the federal government, and may compensate them for such services. The department may cause the reclamation work to be done by its own employes, or by employes of other governmental agencies or through contracts with qualified persons.

(8) The department may also receive any federal funds, state funds or any other funds for the closure of solid waste disposal sites or facilities.

(9) The department, any other agency and any person under a contract with the department pursuant to this section shall have the right of access to the land affected to carry out such reclamation.

The Committee Substitute to **SB 333** is as follows:

SB 333, AN ACT relating to waste management.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 224.005 is amended to read as follows:

As used in this chapter unless the context clearly indicates otherwise:

(1) "Air contaminant" includes smoke, dust, soot, grime, carbon, or any other particulate matter, radioactive matter, noxious acids, fumes, gases, odor, vapor, or any combination thereof;

(2) "Air contaminant source" means any and all sources of emission of air contaminants, whether privately or publicly owned or operated. Without limiting the generality of the foregoing, this term includes all types of business, commercial and industrial plants, works, shops, and stores, and heating and power plants and stations, buildings and other structures of all types, including single and multiple family residences, apartments, houses, office buildings, public buildings, hotels, restaurants, schools, hospitals, churches, and other institutional buildings, automobiles, trucks, tractors, buses and other motor vehicles, garages and vending and service locations and stations, railroad locomotives, ships, boats and other waterborne craft, portable fuel-burning equipment, incinerators of all types (indoor and outdoor), refuse dumps and piles, and all stack and other chimney outlets from any of the foregoing;

(3) "Air pollution" means the presence in the outdoor atmosphere of one or more air contaminants in sufficient quantities and of such characteristics and duration as is or threatens to be injurious to human, plant, or animal life, or to property, or which unreasonably interferes with the comfortable enjoyment of life or property;

(4) "Cesspool" means a cavity in the ground which receives human excrement and domestic wastes to be partially absorbed directly by the surrounding soil;

(5) "Commission" means the environmental quality commission;

(6) "Secretary" means the secretary for natural resources and environmental protection;

(7) "Department" means the department for natural resources and environmental protection;

(8) "Disposal" means the discharge, deposit, injection, dumping, spilling, leaking or placing of any waste into or on any land or water so that such waste or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including ground waters;

(9) "District" means an air pollution control district as provided for in KRS chapter 77;

(10) "Effluent limitations" means any restrictions or prohibitions established under state law which includes, but is not limited to, effluent limitations, standards of performance for new sources, and toxic effluent standards on quantities, rates, and concentrations of chemical, physical, biological, and other constituents which are discharged into waters;

(11) "Generating" means the act or process of producing wastes;

(12) "Person" means any individual, public or private corporation, political subdivision, government agency, municipality, copartnership, association, firm, trust, estate, or other entity whatsoever;

(13) "Publicly owned treatment works" means any facility for the treatment of pollutants owned by the state, any political subdivision thereof, municipality, or other public entity;

(14) "Recycling" means any process by which wastes are transformed into new products, useful materials, products, or energy;

(15) "Schedule of compliance" means a schedule of remedial measures including an enforceable sequence of actions or operations leading to compliance with any limitation or standard;

(16) "Seepage pit" means a dry well, leaching pit or any other cavity in the ground which receives the liquid discharge of a septic tank;

(17) "Septic tank" means a septic toilet, chemical closet and any other watertight enclosure used for storage and decomposition of human excrement and domestic wastes;

(18) "Sewage system" means individually or collectively those constructions or devices used for collecting, pumping, treating, and disposing of liquid or waterborne sewage, industrial wastes or other wastes;

(19) "Waste disposal site or facility" means any place where [solid] waste is managed, processed or disposed of by incineration, landfilling or any other method;

(20) "Storage" means the containment of [hazardous] wastes, either on a temporary basis or for a period of years, in such a manner as not to constitute disposal of such [hazardous] wastes;

(21) "Tank" means any container when placed on a vehicle to carry in transport wastes removed from a septic tank, cesspool or seepage pit;

(22) "Transportation" means any *off-site* movement of [hazardous] waste by any mode, and any loading, unloading, or storage incidental thereto;

(23) "Treatment" means any method, technique, or process designed to alter the physical, chemical, or biological character or composition of any pollutant or [hazardous] waste so as to render it less hazardous, nonhazardous, safer for transport, amenable to recycling, amenable to storage, or reduced in volume;

(24) "Waste" means:

(a) "Hazardous waste" means any *discarded material or* [waste] substance or combination of substances, in any form which because of its quantity, concentration or physical, chemical or infectious characteristics may *cause, or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed* [create a threat to public health or to animal, plant, and aquatic life forms, and includes but is not limited to substances which are toxic, flammable, corrosive, radioactive, irritants, strong sensitizers, or which generate pressure through decomposition, heat or other means]; nothing in this chapter shall be construed to apply to any activity or substance which is subject to the federal atomic energy act of 1954 or to *agricultural* wastes *including manures and crop residues, which are returned to the soil as fertilizers or soil conditioners or to pesticides, herbicides or fertilizers or their respectives containers when disposed of under label instructions or in accordance with the federal insecticide, fungicide, and rodenticide act as amended* [produced by livestock];

(b) "Solid waste" means *any garbage, refuse, sludge from a waste treatment plant, water supply treatment plant, or air pollution control facility and other discarded material, including solid, liquid, semisolid, or contained gaseous material resulting from industrial, commercial, mining (excluding coal mining wastes) and agricultural operations, and from community activities, but does not include solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows or industrial discharges which are point sources subject to permits under section 402 of the federal water pollution control act, as amended (86 Stat. 880), or source, special nuclear, or by product material as defined by the atomic energy act of 1954, as amended (68 Stat. 923)* [all putrescible and nonputrescible refuse in solid, semi-solid, liquid and contained gaseous form, but does not include sewage. Solid waste includes but is not limited to garbage, rubbish, ashes, incinerator residue, street refuse, dead animals, demolition wastes, construction wastes, solid commercial and industrial wastes, residential wastes, and special wastes including explosives, pathological and radioactive materials];

(25) "Water" or "waters of the Commonwealth" means and includes any and all rivers, streams, creeks, lakes, ponds, impounding reservoirs, springs, wells, marshes and all other bodies of surface or underground water, natural or artificial, situated wholly or partly within or bordering upon the Commonwealth or within its jurisdiction;

(26) "Water pollution" means the alteration of the physical, thermal, chemical, biological, or radioactive properties of the waters of the Commonwealth in such a manner, condition, or quantity that will be detrimental to the public health or welfare, to animal or aquatic life or marine life, to the use of such waters as present or future sources of public water supply or to the use of such waters for recreational, commercial, industrial, agricultural or other legitimate purposes;

(27) "Pollutant" means and includes dredged spoil, solid waste, incinerator residue, sewage, sewage sludge, garbage, chemical, biological or radioactive materials, heat, wrecked or discarded equipment, rock, sand, soil, industrial, municipal or agricultural waste, and any substance resulting from the development, processing or recovery of any natural resource which may be discharged into water;

(28) "NPDES" means national pollutant discharge elimination system;

(29) "Open dump" means any facility or site for the disposal of solid waste which does not meet the criteria for a sanitary landfill under regulations promulgated by the department which shall be consistent with regulations promulgated under section 4004, resource conservation and recovery act, PL 94-580, and which is not a facility for disposal of hazardous waste;

(30) "Solid waste management" means any and all processes by which solid waste is collected, transported, stored, separated, processed, or disposed in any manner according to an orderly and planned program of a county or multi-county solid waste management area duly approved by the department;

(30) "Solid waste management facility" means any solid waste treatment and handling or disposal facility, interim holding or transfer facility, or volume reduction plant consisting of, but not limited to, structures, incinerators, pulverizers, compactors, graters, shredders, balers, roller grates, heat transferral units, steam and energy generating units and other related facilities which accept and process solid wastes.

Section 2. KRS 224.217 is amended to read as follows:

(1) The secretary *of the department for natural resources and environmental protection* [for finance and administration in consultation with the administrator of the Kentucky center for energy research and other appropriate agencies,] shall *assume the primary responsibility* [attempt to implement by January 1, 1979, a pilot project] in state government *for implementing a program* to recycle used [ledger-grade] paper *products*, produced by *all* [one (1) or more] agencies of state government[, as a trial program for the Commonwealth and shall report to the legislative research commission by July 1, 1979, on the effectiveness and viability of the program and make recommendations for a statewide program if appropriate].

(2) The secretary of the department *for natural resources and environmental protection* [of energy] shall take or cause to be taken actions as may be necessary to:

(a) Identify the geographical location of existing or potential markets for recovered materials and energy generated;

(b) Identify the economic and technical barriers to the use of recovered materials and energy generated;

(c) Identify sound technologies, techniques, and processes for resource recovery and energy generated applicable to both urban and rural areas of Kentucky;

(d) Encourage the development of new uses for recovered materials; *and*

(e) Encourage and promote the development of new markets for recovered materials[; and

(f) A summary of the findings and actions taken and any recommendations resulting therefrom shall be transmitted to the governor and to the 1980 general assembly].

(3) Funds received by the department for natural resources and environmental protection from recycling efforts as described in this section shall be utilized by the department to defray the cost of conducting the activities outlined in this section. Any monies generated in excess of the amounts needed to conduct these activities shall be placed in the resource conservation recovery and beautification fund and be used for other litter abatement activities.

Section 3. KRS 224.255 is amended to read as follows:

(1) No person shall transport to or dispose of [hazardous] waste at any site or facility other than a site or facility for which a permit for [hazardous] waste disposal has been issued by the department. Upon request, any transporter of [hazardous] waste shall receive from the department a current list of permitted [hazardous] waste disposal sites or facilities and shall be subsequently notified of any new permits or changes in the status of permits for [hazardous] waste disposal sites and facilities in the Commonwealth.

(2) The use of open dumps is prohibited *except in the case of an open dump which is under a departmentally approved timetable or schedule for compliance. Such timetable or schedule for compliance shall contain an enforceable sequence of actions or operations leading to compliance not to exceed five (5) years of the effective date of this Act.*

Section 4. KRS 224.850 is amended to read as follows:

(1) For purposes of KRS 224.850 and 224.852 only, "pollution control facility" shall mean and include:

(a) Any property designed, constructed, or installed as a component part of any commercial or industrial premises for the primary purpose of eliminating or reducing the emission of, or ground level concentration of, particulate matter, dust, fumes, gas, mist, smoke, vapor, or odorous substances, or any combination thereof which renders air harmful or inimical to the health of persons or to property within this Commonwealth;

(b) Any disposal system or any treatment works, pre-treatment works, appliance, equipment, machinery, or installation constructed, used, or placed in operation primarily for the purpose of reducing, controlling, or eliminating thermal pollution or water pollution caused by industrial waste, or what would be industrial waste, if discharged into the waters of the Commonwealth;

(c) Any disposal system or any appliance, equipment, machinery or installation constructed, used or placed in operation primarily for disposing of [solid] waste, [or] converting [solid] waste into an item of real economic value *or converting hazardous waste to nonhazardous waste*;

(d) Any property designed, constructed, or installed as a component part of any commercial or industrial premises for the primary purpose of eliminating or reducing the emission of sound which is harmful or inimical to the health of persons or to property, or materially reduces the quality of the environment in this Commonwealth;

(e) Any property designed, constructed, or installed for the primary purpose of removing substances from raw materials, which substances, if permitted to become a component part of the finished product, would have a deleterious effect on the environment when the finished product was utilized.

(2) "Industrial waste" means any liquid, gaseous, or solid waste substance resulting from any process of industry, manufacture, trade, or business, or from the development, processing, or recovery of any natural resource, together with such sewage as is present, which pollutes the waters of the Commonwealth.

(3) "Solid waste" means *any garbage, refuse, sludge from a waste treatment plant, water supply treatment plant, or air pollution control facility and other discarded material, including solid, liquid, semi-solid, or contained gaseous material resulting from industrial, commercial, mining (excluding coal mining waste), and agricultural operations, and from community activities, but does not include solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows or industrial discharges which are point sources subject to permits under section 402 of the federal water pollution control act, as amended (86 Stat. 880), or source, special nuclear, or by product material as defined by the atomic energy act of 1954, as amended (68 Stat. 923)* [all putrescible and nonputrescible refuse in solid, semi-solid, liquid and contained gaseous form, but does not include sewage. Solid waste includes but is not limited to garbage, rubbish, ashes, incinerator residue, street refuse, dead animals, demolition wastes, construction wastes, solid commercial and industrial wastes, residential wastes, and special wastes including explosives, pathological and radioactive materials].

(4) "Treatment works" means any plant, disposal field, lagoon, dam, pumping station, incinerator, or other works used for the purpose of treating, stabilizing, or holding sewage, industrial waste, or other wastes.

(5) "Water pollution" shall mean the placing of any noxious or deleterious substances in any waters of the Commonwealth which render such waters harmful or inimical to aquatic life, or to the use of such waters for domestic water supply, or industrial or agricultural purposes or for recreation.

(6) "Waters of the Commonwealth" means all streams, lakes, ponds, marshes, watercourses, waterways, wells, springs, irrigation systems, drainage systems, and all other bodies or accumulations of water, surface and underground, natural or artificial, which are situated wholly or partly within, or border upon, this Commonwealth, or are within its jurisdiction, except those private waters which do not combine or effect a junction with natural surface or underground waters.

(7) "Department" shall mean the Kentucky department for natural resources and environmental protection.

(8) "Pollution control tax exemption certificate" shall mean that certificate issued by the department pursuant to KRS 224.852.

Section 5. KRS 224.855 is amended to read as follows:

(1) No permit shall be issued until a complete application has been submitted to *and approved by* the department and *notice of* the [applicant has published that he has made] application for a waste disposal site or facility *has been published at the expense of the applicant* in a manner reasonably calculated to inform that portion of the public which is most likely to be affected by the operation of the proposed waste disposal site or facility. *The publication shall take place after the department has made a preliminary determination of the application.*

(2) At a minimum, publication shall be made at least once by advertisement in a daily or weekly newspaper of general circulation in the locality where the proposed site is to be located.

(3) The contents of the public notice of an application for a waste disposal site or facility shall include the following:

(a) The name and address of the applicant;
(b) A brief description of the activity for which a permit is being sought;
(c) A description of the proposed location;
(d) The name and address of this department; and
(e) The following statement: "Any person who may be aggrieved by the issuance of a permit for this proposed waste disposal site or facility may file with the department a petition which sets forth the grounds of the objection and demand a hearing pursuant to KRS 224.081(2)." Such hearing shall be held within the county where the solid waste disposal site or facility is proposed.

(4) No permit shall issue until at least thirty (30) days have expired following publication of the application. The applicant for a permit must establish the date of publication by a verified affidavit from the newspaper which publishes the advertisement. If a hearing is requested, no permit shall be issued prior to a completed hearing.

(5) No permit shall be issued by the department for a hazardous waste disposal site for long-lived wastes that may require long term or perpetual care and maintenance except with the consent and approval of a majority of the members of the Kentucky house of representatives, a majority of the members of the Kentucky senate and the approval of the governor of Kentucky.

(6) Before an application to locate such a hazardous waste disposal site in Kentucky can be submitted for approval to the Kentucky general assembly, it must first receive the approval of the secretary of the department for natural resources and environmental protection. It shall be the responsibility of the department for natural resources and environmental protection to ensure that a comprehensive environmental impact statement is submitted and that public hearings are held in the county in which it is proposed to locate such a hazardous waste disposal site.

Section 6. KRS 224.880 is amended to read as follows:

No person shall establish, construct, operate, maintain, or permit the use of a [solid] waste disposal site or facility without first having obtained a permit from the department to establish, construct, maintain, operate or permit the use of the *waste disposal* site or facility pursuant to rules and regulations promulgated by the department.

SECTION 7. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) The department shall promulgate regulations which establish standards for the operator of any waste disposal site or facility or portion thereof, whether publicly or privately owned, requiring such operators to do the following:

(a) Attend a training session concerning the operation of the appropriate type waste disposal facility conducted by the department for natural resources and environmental protection;

(b) Indicate sufficient skill and competency for proper operation of the waste disposal site by adequate performance on an examination prescribed by the department for natural resources and environmental protection;

(c) Pay a reasonable fee related to the cost of conducting training and certification sessions to be utilized to defray the cost of conducting the sessions; and

(d) Renew the certificates of competence at reasonable intervals.

(2) No person shall authorize or allow any person who does not hold a certificate issued pursuant to subsection (1) of this section to have primary responsibility for the operation of any waste disposal site or facility or portion thereof.

SECTION 8. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) Before the department may issue a permit to operate a solid waste disposal site or facility, the operator shall file with the department a bond payable to the Commonwealth of Kentucky with surety satisfactory to the department in a sum to be determined by the department on the recommendation of the secretary of each acre or fraction thereof of the area of land affected, with a minimum bond of ten thousand dollars ($10,000) per site, conditioned upon the faithful performance of the requirements in this chapter and of the rules and regulations of the department to insure satisfactory closure of the facility. The department may accept liquid or semi-liquid assets deposited in an escrow account for the operating life of the landfill plus not less than two (2) additional years as an alternative guarantee of adequate financial responsibility for closure of the facility.

(2) An operator may at any time during the term of the permit apply to the department for an amendment of the permit so as to increase or reduce the acreage affected by it. The operator shall file an application and map in the same form and with the same content as required for an original application under this chapter and shall pay a basic fee set by regulation bearing a reasonable relationship to the cost of processing the permit application and shall file with the department a supplemental bond for each acre or fraction of an acre of the increase approved. If the department approved a reduction in the acreage covered by the original or supplemental permit, it shall release the bond for each acre reduced but in no case shall the bond for the site be reduced below ten thousand dollars ($10,000).

(3) When the facility has been filled, covered, graded, seeded and revegetated according to regulations promulgated by the department and approved by the department, the secretary shall release the bond or other guarantee of financial responsibility that has been provided to the department. If such closure requirements are not accomplished by the operator of the facility, the department shall forfeit the bond or demand release of the monies held to guarantee financial responsibility.

(4) All funds from the forfeiture of bonds or other sureties required pursuant to this section shall be placed in the state treasury and credited to a special trust and agency account which shall not lapse. Such account shall be known as the "solid waste disposal site restoration fund" and all monies placed in the fund shall be used solely for the proper closure of solid waste disposal sites and insofar as practicable be used to correct the problems at the same site for which the bond or other sureties were originally provided.

(5) No operator or person shall be eligible to receive another permit to operate a solid waste disposal site or facility who has forfeited any bond or other surety provided pursuant to this section, unless the land for which the bond or other surety was forfeited has been reclaimed without cost to the state, or the operator or person has paid such sum as the department finds is adequate to reclaim such lands.

(6) Where one (1) operator succeeds another at any solid waste disposal site or facility prior to final closure, either by sale, assignment, lease or otherwise, the department may release the first operator from all liability under this section, provided that the successor operator meets the requirements of this section and assumes, as part of his obligation under this chapter, all liability for the reclamation and final closure of the area of land affected by the former operation.

(7) In the reclamation of land affected by incomplete or improper closure of a solid waste disposal site or facility for which it has the funds available, the department may avail itself of any services which may be provided by other state agencies or by agencies of the federal government, and may compensate them for such services. The department may cause the reclamation work to be done by its own employes, or by employes of other governmental agencies or through contracts with qualified persons.

(8) The department may also receive any federal funds, state funds or any other funds for the closure of solid waste disposal sites or facilities.

(9) The department, any other agency and any person under a contract with the department pursuant to this section shall have the right of access to the land affected to carry out such reclamation.

SB 267, AN ACT relating to the environment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The general assembly of the Commonwealth of Kentucky hereby finds, determines, and declares as follows:

(1) That technological progress and increases in the amounts of manufacturing are continuing to result in increasing quantities of hazardous waste being generated and prohibiting the generation of hazardous waste would result in a competitive economic disadvantage for the Commonwealth.

(2) That the Commonwealth is the site of much improper and inadequately regulated handling, treatment, transportation, storage, and disposal of hazardous waste which presents a threat to the public health, safety, and welfare and the environment;

(3) That by the enactment by the Congress of the United States of the resource conservation and recovery act of 1976 (Public Law 94-580), the generation, transportation, treatment, storage, recycling, and disposal of hazardous waste has been determined to be a matter of national importance, recognizing that hazardous waste presents, in addition to the problems generally associated with nonhazardous waste, special dangers to health and requires a greater degree of regulation than does nonhazardous waste;

(4) That the primary responsibility for proper hazardous waste management rests with the generators, transporters, treaters, storers, recyclers, and disposers of hazardous waste, subject to rules, regulations, guidelines, and standards promulgated by the department for natural resources and environmental protection and also subject to registration or permitting by the department for the purpose of effectuating safe and proper management at all steps in the hazardous waste cycle;

(5) That the participation of the private sector and the interested public in any aspect of hazardous waste management not expressly reserved as state or federal authority as set forth in this Act or other statutes is encouraged, moreover, it is preferable for hazardous waste management functions to be performed by the private sector when such is in the best interest of the public and conforms with the policies and provisions set forth in this Act;

(6) That as a matter of policy the Commonwealth in encouraging the development of hazardous waste management facilities should place a priority on environmentally sound alternatives to the land disposal of hazardous waste such as process changes, waste reduction, resource recovery and recycling, destruction, or treatment to render the waste nonhazardous; and

(7) That as a result of the conditions described in the foregoing findings, the problems of hazardous waste generation, transportation, treatment, storage, recycling, and disposal have become a matter of extreme state concern necessitating action by the general assembly to protect the public health, safety, and welfare and the environment of the Commonwealth.

Section 2. KRS 224.033 is amended to read as follows:

In addition to any other powers and duties vested in it by law, the department shall have the authority, power, and duty to:

(1) Exercise general supervision of the administration and enforcement of Acts 1972 (1st Ex. Sess.), ch. 3, and all rules, regulations and orders promulgated thereunder;

(2) Prepare and develop a comprehensive plan or plans related to the environment of the Commonwealth;

(3) Encourage industrial, commercial, residential and community development which provides the best usage of land areas, maximizes environmental benefits and minimizes the effects of less desirable environmental conditions;

(4) Develop and conduct a comprehensive program for the management of water, land, and air resources to assure their protection and balance utilization consistent with the environmental policy of the Commonwealth;

(5) Provide for the prevention, abatement, and control of all water, land, and air pollution including but not limited to that related to particulates, pesticides, gases, dust, vapors, noise, radiation, odor, nutrients, heated liquid, or other contaminants;

(6) Provide for the control and regulation of strip mining and reclamation in a manner to accomplish the purposes of KRS chapter 350;

(7) Secure necessary scientific, technical, administrative, and operational services, including laboratory facilities, by contract or otherwise;

(8) Collect and disseminate information and conduct educational and training programs relating to the protection of the environment;

(9) Appear and participate in proceedings before any federal regulatory agency involving or affecting the purposes of the department;

(10) Enter and inspect any property or premises for the purpose of investigating either actual or suspected sources of pollution or contamination or for the purpose of ascertaining compliance or noncompliance with Acts 1972 (1st Ex. Sess.), ch. 3, or any rule or regulation which may be promulgated thereunder;

(11) Conduct investigations and hold hearings and compel the attendance of witnesses and the production of accounts, books and records by the issuance of subpoenas;

(12) Accept, receive, and administer grants or other funds or gifts from public and private agencies including the federal government for the purpose of carrying out any of the functions of the department. Such funds received by the department shall be deposited in the state treasury to the account of the department;

(13) Request and receive the assistance of any state or municipal educational institution, experiment station, laboratory, or other agency when it is deemed necessary or beneficial by the department in the performance of its duties;

(14) Advise, consult, and cooperate with other agencies of the Commonwealth, other states, the federal government, and interstate and interlocal agencies, and affected persons, groups and industries;

(15) Formulate guides for measuring presently unidentified environmental values and relationships so they can be given appropriate consideration along with social, economic, and technical considerations in decision making;

(16) Monitor the environment to afford more effective and efficient control practices, to identify changes and conditions in ecological systems and to warn of emergency conditions;

(17) Adopt, modify or repeal with the recommendation of the commission any standard, rule, regulation or plan specified in subsections (5) and (6) of KRS 224.045;

(18) Issue, after hearing, orders abating activities in violation of this chapter, or the provisions of Acts 1972 (1st Ex. Sess.), ch. 3, or the regulations promulgated pursuant thereto and requiring the adoption of such remedial measures as the department may deem necessary;

(19) Issue, continue in effect, revoke, modify, suspend or deny under such conditions as the department may prescribe, permits to discharge into any waters of the Commonwealth, and for the installation, alteration, expansion, or operation of any sewage system; the installation, alteration, or use of any machine, equipment, device or other article that may cause or contribute to air pollution or is intended primarily to prevent or control the emission of air pollution; or the establishment or construction and the operation or

maintenance of waste disposal sites and facilities; and require that applications for such permits be accompanied by plans, specifications, and such other information as the department deems necessary;

(20) May establish, by regulation, a fee or schedule of fees for the cost of processing applications for permits authorized by this chapter, and for the cost of processing applications for exemptions or partial exemptions which may include but not be limited to the administrative costs of a hearing held as a result of such exemption application, except that applicants for existing or proposed publicly owned facilities shall be exempt from any such charge;

(21) May require for persons discharging into the waters or onto the land of the Commonwealth, by regulation, order or permit, technological levels of treatment and effluent limitations;

(22) Require, by regulation, that any person engaged in any operation regulated pursuant to this chapter install, maintain, and use at such locations and intervals as the department may prescribe any equipment, device or test and the methodologies and procedures for the use of such equipment, device or test to monitor the nature and amount of any substance emitted or discharged into the ambient air or waters or land of the Commonwealth and to provide any information concerning such monitoring to the department in accordance with the provisions of subsection (23) of this section;

(23) Require by regulation that any person engaged in any operation regulated pursuant to this chapter file with the department reports containing information as to location, size, height, rate of emission or discharge, and composition of any substance discharged or emitted into the ambient air or into the waters or onto the land of the Commonwealth, and such other information as the department may require;

(24) *Promulgate rules, regulations, guidelines, and standards for waste planning and management activities, approve waste management facilities, develop and publish a comprehensive statewide plan for nonhazardous waste management which shall contain, but not be limited to, the provisions set forth in KRS 109.031, and develop and publish a comprehensive statewide plan for hazardous waste management which shall contain, but not be limited to, the following:*

(a) A description of current hazardous waste management practices and costs, including treatment and disposal, within the Commonwealth;

(b) An inventory and description of all existing facilities where hazardous waste is being generated, treated, recycled, stored, or disposed of, including an inventory of the deficiencies of present facilities in meeting current hazardous waste management needs and a statement of the ability of present hazardous waste management facilities to comply with state and federal laws relating to hazardous waste;

(c) A description of the sources of hazardous waste affecting the Commonwealth including the types and quantities of hazardous waste currently being generated and a projection of such activities as can be expected to continue for not less than twenty (20) years into the future;

(d) An identification and continuing evaluation of those locations within the Commonwealth which are naturally or may be engineered to be suitable for the establishment of hazardous waste management facilities, and an identification of those general characteristics, values, and attributes which would render a particular location unsuitable;

The statewide waste management plans shall be developed consistent with state and federal laws relating to waste [Establish a comprehensive waste management plan in order to ensure that wastes are properly collected, stored, processed, transported, disposed, and recycled];

(25) Perform such other and further acts as may be necessary to carry out the duties and responsibilities herein described; and

(26) Preserve existing clean air resources while ensuring economic growth by issuing regulations, which shall be no more stringent than federal requirements, setting maximum allowable increases from stationary sources over baseline concentrations of air contaminants to prevent significant deterioration in areas meeting the state and national ambient air quality standards.

Section 3. KRS 224.005 is amended to read as follows:

As used in this chapter unless the context clearly indicates otherwise:

(1) "Air contaminant" includes smoke, dust, soot, grime, carbon, or any other particulate matter, radioactive matter, noxious acids, fumes, gases, odor, vapor, or any combination thereof;

(2) "Air contaminant source" means any and all sources of emission of air contaminants, whether privately or publicly owned or operated. Without limiting the generality of the foregoing, this term includes all types of business, commercial and industrial plants, works, shops, and stores, and heating and power plants and stations, buildings and other structures of all types, including single and multiple family residences, apartments, houses, office buildings, public buildings, hotels, restaurants, schools, hospitals, churches, and other institutional buildings, automobiles, trucks, tractors, buses and other motor vehicles, garages and vending and service locations and stations, railroad locomotives, ships, boats and other waterborne craft, portable fuel-burning equipment, incinerators of all types (indoor and outdoor), refuse dumps and piles, and all stack and other chimney outlets from any of the foregoing;

(3) "Air pollution" means the presence in the outdoor atmosphere of one or more air contaminants in sufficient quantities and of such characteristics and duration as is or threatens to be injurious to human,

plant, or animal life, or to property, or which unreasonably interferes with the comfortable enjoyment of life or property;

(4) "Cesspool" means a cavity in the ground which receives human excrement and domestic wastes to be partially absorbed directly by the surrounding soil;

(5) *"Closure" means the time at which a waste treatment, storage or disposal facility permanently ceases to accept wastes, and includes those actions taken by the owner or operator of the facility to prepare the site for post-closure monitoring and maintenance or to make it suitable for other uses;*

(6) "Commission" means the environmental quality commission;

(7)[(6)] "Secretary" means the secretary for natural resources and environmental protection;

(8)[(7)] "Department" means the department for natural resources and environmental protection;

(9)[(8)] "Disposal" means the discharge, deposit, injection, dumping, spilling, leaking or placing of any waste into or on any land or water so that such waste or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including ground waters;

(10)[(9)] "District" means an air pollution control district as provided for in KRS chapter 77;

(11)[(10)] "Effluent limitations" means any restrictions or prohibitions established under state law which includes, but is not limited to, effluent limitations, standards of performance for new sources, and toxic effluent standards on quantities, rates, and concentrations of chemical, physical, biological, and other constituents which are discharged into waters;

(12)[(11)] "Generating" means the act or process of producing wastes *except that any person who produces hazardous wastes in amounts not determined to be harmful to public health or the environment by regulation of the department consistent with the federal resource conservation and recovery act and regulations issued pursuant thereto shall not be a generator of hazardous waste or considered to be engaged in the generation of hazardous waste*;

(13)[(12)] "Person" means any individual, public or private corporation, political subdivision, government agency, municipality, copartnership, association, firm, trust, estate, or other entity whatsoever;

(14) "Post-closure monitoring and maintenance" means the routine care, maintenance and monitoring of a solid waste or hazardous waste treatment, storage or disposal facility following closure of the facility;

(15)[(13)] "Publicly owned treatment works" means any facility for the treatment of pollutants owned by the state, any political subdivision thereof, municipality, or other public entity;

(16)[(14)] "Recycling" means any process by which wastes are transformed into new products, useful materials, products, or energy;

(17)[(15)] "Schedule of compliance" means a schedule of remedial measures including an enforceable sequence of actions or operations leading to compliance with any limitation or standard;

(18)[(16)] "Seepage pit" means a dry well, leaching pit or any other cavity in the ground which receives the liquid discharge of a septic tank;

(19)[(17)] "Septic tank" means a septic toilet, chemical closet and any other watertight enclosure used for storage and decomposition of human excrement and domestic wastes;

(20)[(18)] "Sewage system" means individually or collectively those constructions or devices used for collecting, pumping, treating, and disposing of liquid or waterborne sewage, industrial wastes or other wastes;

(21) "Termination" means the final actions taken by the department as to a solid waste or hazardous waste treatment, storage or disposal facility when formal responsibilities for post-closure monitoring and maintenance cease;

(22)[(19)] "Waste disposal site or facility" means any place where [solid] waste is managed, processed or disposed of by incineration, landfilling or any other method;

(23)[(20)] "Storage" means the containment of hazardous wastes, either on a temporary basis or for a period of years, in such a manner as not to constitute disposal of such hazardous wastes;

(24)[(21)] "Tank" means any container when placed on a vehicle to carry in transport wastes removed from a septic tank, cesspool or seepage pit;

(25)[(22)] "Transportation" means any movement of hazardous waste by any mode, and any loading, unloading, or storage incidental thereto;

(26)[(23)] "Treatment" means any method, technique, or process designed to alter the physical, chemical, or biological character or composition of any pollutant or hazardous waste so as to render it less hazardous, nonhazardous, safer for transport, amenable to recycling, amenable to storage, or reduced in volume;

(27)[(24)] "Waste" means:

(a) "Hazardous waste" means any *discarded material or material to be discarded or* [waste] substance or combination of *such* substances *to be discarded*, in any form which because of its quantity, concentration or physical, chemical or infectious characteristics may *cause, or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed* [create a threat to public health or to animal, plant, and aquatic life forms, and includes but is not limited to substances which are toxic, flammable, corrosive, radioactive, irritants, strong sensitizers, or which generate pressure through decomposition, heat or other means]; nothing in this chapter shall be construed to apply to any activity or substance which is subject to the federal atomic energy act of 1954 or to *agricultural* wastes *including manures and crop residues, which are returned to the soil as fertilizers or soil conditioners or to pesticides, herbicides or fertilizers or their respective containers when disposed of under label instructions or in accordance with the federal insecticide, fungicide, and rodenticide act as amended* [produced by livestock];

(b) "Solid waste" means *any garbage, refuse, sludge from a waste treatment plant, water supply treatment plant, or air pollution control facility and other discarded material, including solid, liquid, semi-solid, or contained gaseous material resulting from industrial, commercial, mining and agricultural operations, and from community activities, but does not include solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows or industrial discharges which are point sources subject to permits under section 402 of the federal water pollution control act, as amended (86 stat. 880), or source, special nuclear, or by product material as defined by the atomic energy act of 1954, as amended (68 stat. 923)* [all putrescible and nonputrescible refuse in solid, semi-solid, liquid and contained gaseous form, but does not include sewage. Solid waste includes but is not limited to garbage, rubbish, ashes, incinerator residue, street refuse, dead animals, demolition wastes, construction wastes, solid commercial and industrial wastes, residential wastes, and special wastes including explosives, pathological and radioactive materials];

(28)[(25)] "Water" or "waters of the Commonwealth" means and includes any and all rivers, streams, creeks, lakes, ponds, impounding reservoirs, springs, wells, marshes and all other bodies of surface or underground water, natural or artificial, situated wholly or partly within or bordering upon the Commonwealth or within its jurisdiction;

(29)[(26)] "Water pollution" means the alteration of the physical, thermal, chemical, biological, or radioactive properties of the waters of the Commonwealth in such a manner, condition, or quantity that will be detrimental to the public health or welfare, to animal or aquatic life or marine life, to the use of such waters as present or future sources of public water supply or to the use of such waters for recreational, commercial, industrial, agricultural or other legitimate purposes;

(30)[(27)] "Pollutant" means and includes dredged spoil, solid waste, incinerator residue, sewage, sewage sludge, garbage, chemical, biological or radioactive materials, heat, wrecked or discarded equipment, rock, sand, soil, industrial, municipal or agricultural waste, and any substance resulting from the development, processing or recovery of any natural resource which may be discharged into water;

(31)[(28)] "NPDES" means National Pollutant Discharge Elimination System.

(32) "Manifest" means the principal document used in a management control system to trace the movement of hazardous wastes from generation to final disposal.

SECTION 4. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) The department shall promulgate regulations which establish standards for the generators of hazardous waste requiring such generators to do the following:

(a) Compile and maintain such information and record-keeping regarding the quantities of hazardous waste generated, characteristics and composition of such waste and disposition of hazardous waste generated;

(b) Utilize proper labeling and containerization of hazardous waste as required by the department;

(c) Utilize a manifest for each shipment of hazardous waste and assure that the facility to which the waste is designated is a permitted facility;

(d) Provide information on the general chemical composition of the hazardous waste to persons transporting, treating, storing or disposing of hazardous waste;

(e) Keep all records and copies of manifest readily available for review and inspection by the designated representative of the department;

(f) Retain all records and manifest copies for a minimum of three (3) years or as required by the department;

(g) Compile a periodic report of hazardous waste generated, stored, transferred, treated, disposed or transported for treatment, storage, or disposal as required by the department.

(2) Any person who generates waste in this state shall make a determination as to whether or not such waste is hazardous pursuant to criteria promulgated by the department, and any generator of hazardous waste shall certify that all information required in notices or reports to the department or information provided on the manifest document is factual.

(3) The department shall promulgate regulations specifying the criteria by which wastes may be determined to be hazardous and based on use of these criteria maintain and update a list of wastes identified as hazardous wastes which shall be subject to the hazardous waste management provisions of this Act. The criteria and lists promulgated by the department shall be identical to any such criteria and lists proposed or promulgated by the U. S. environmental protection agency pursuant to P.L. 94-580. In providing for the management of hazardous waste, the department shall establish classes or categories of hazardous waste

reflecting the relative degree of hazard consistent with P.L. 94-580 and regulations issued pursuant thereto. Any person generating any substance which either meets the criteria or is identified as hazardous waste shall within ninety (90) days of promulgation of the regulation so notify the department.

SECTION 5. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) No person shall engage in the storage, treatment, recycling or disposal of hazardous waste without first obtaining construction and operation permits from the department. The department shall promulgate regulations establishing standards for such permits but in no case shall a permit to construct or operate a hazardous waste disposal facility be issued unless it can be demonstrated that the proposed facility can be integrated into the surroundings in an environmentally compatible manner, including but not limited to insuring that hydrologic, seismologic, geologic and soil considerations have been adequately addressed in the permit application and in an operational plan. A person desiring a construction permit shall file an application on forms supplied by the department which shall contain such information the department deems necessary and provide evidence that the hazardous waste shall be treated, stored or disposed of in the manner prescribed by the department. The department may consider past performance in this or related fields by the applicant. The department, in making a determination to issue, deny or condition a construction permit, shall consider the following:

(a) An evaluation of alternatives, to include other locations and other treatment, storage, and disposal approaches, different from those proposed, available to the applicant;

(b) An evaluation of the public health, safety, and environmental aspects of the proposals;

(c) An evaluation of the social and economic impacts of the proposed action on the affected community, to include, at a minimum, changes in property values, community perception and other psychic costs, and the costs of infrastructure improvements required to support the facility;

(d) An evaluation of mitigation measures to alleviate problems identified in subsections (b) and (c) of this section; and

(e) The relationship of the proposal to local planning and existing development.

(2) Any hazardous waste which would migrate, leach, or generate gas in its normal state shall not be disposed of in a landfill unless such waste has been either neutralized, detoxified, solidified, encapsulated or otherwise treated so that the character of the waste is such that it will prevent substantial migration, leaching or gas generation or unless the landfill is designed and constructed in such manner as will prevent substantial migration, leaching or gas generation, that may pose an unreasonable threat to public health or the environment.

(3) In conjunction with the application for permits under this section the applicant shall establish adequate financial responsibility as follows:

(a) The applicant shall file as part of his application for a permit to construct the facility an estimate of the cost of closing the facility after its capacity is reached or operations have otherwise ceased. In the case of storage facilities, the cost of closing shall include the cost of properly disposing of the hazardous waste stored. The department shall evaluate this cost estimate and either accept the estimate as made or shall revise it in accordance with acceptable guidelines. Before a permit to operate can be issued the applicant for any hazardous waste permit shall deposit into an interest bearing account pursuant to an escrow agreement with the department a closure fund. Such closure fund shall be cash, irrevocable credit or other sureties satisfactory to the department in an amount equal to the cost estimate for closure. A bank or other financial institution approved by the department shall act as the escrow agent of the closure fund. The escrow agreement shall provide that disbursement is permissible only upon written approval of the department and whenever, on the basis of any information, the department determines that the owner or operator is in violation of any of the closure requirements for the facility, that the department shall have the right to use part or all of the closure fund to carry out the closure requirements. The escrow agent shall release these funds upon receiving a forfeiture order of the department issued pursuant to an appropriate administrative hearing considering one (1) or more closure violations. When the applicant has ceased operations at the facility and has completed closure of the site, he may apply to the department for return of the principle and interest in the closure fund. Upon determination that closure has been satisfactorily accomplished, the department shall release to the applicant all remaining funds accumulated in the closure fund.

(b) Any applicant for a hazardous waste disposal permit shall file with the department as part of his application an estimate of the annual cost of post-closure monitoring and routine maintenance at the site. The department shall evaluate the cost estimate, and, after such modification as may be necessary in light of his evaluation, shall give notice of acceptance of the cost estimate. This cost estimate which will be referred to as the annual post-closure operating cost will then be used to determine the annual cash payments during the life of the facility or over twenty (20) years whichever is shorter into a post-closure monitoring and maintenance fund to be used for monitoring and maintenance for a period of a minimum of twenty (20) years after facility closure. The post-closure monitoring and maintenance fund shall be established by an escrow agreement with the department and annual payments shall be placed in an interest bearing escrow account in a bank or other financial institution approved by the department which shall act as the escrow agent for the fund. The escrow agreement shall provide that whenever, on the basis of any information, the department determines that the owner or operator of the facility is in violation of any of the post-closure monitoring and maintenance requirements, the department shall have the right to use part or all of the funds to carry out the post-closure monitoring and maintenance for the facility. The escrow agent shall release these funds upon receiving a forfeiture order of the department issued pursuant to an appropriate administrative hearing considering one (1) or more post-closure monitoring and maintenance violations. One (1) year after closure and annually, thereafter, for a period of twenty (20) years, the applicant who has carried out all necessary post-closure maintenance and monitoring requirements may upon application to the department be reimbursed out of the post-closure monitoring and maintenance fund an amount equal to the estimated costs for monitoring and routine maintenance for that year and the interest accumulated on that portion of the fund for that year. Request for release of funds for reimbursement must be accompanied by an itemized list of costs incurred. Upon determination that the expenditures incurred are in accordance with the approved plan or otherwise justified the department may authorize the release of the funds to the applicant in writing. Any funds remaining in the escrow account following a termination hearing in which the applicant is released of further responsibility will likewise be released to the applicant.

(c) Before a permit can be issued the applicant for any hazardous waste permit must provide evidence of financial responsibility in an amount and for a time period specified by the department for the purpose of satisfying claims arising out of injury to persons or property resulting from the release or escape of hazardous waste into the environment. Such financial responsibility may be established by one or a combination of evidence of liability insurance, self-insurance, or other evidence of financial responsibility acceptable to the department. The level of self-insurance shall not exceed ten percent (10%) of equity, and financial responsibility must be maintained during the entire operation of the facility.

(4) The department shall promulgate regulations establishing minimal standards for closure, post-closure monitoring and maintenance, and termination of sites for the disposal of hazardous waste. Any person who obtains a disposal permit for hazardous waste shall be responsible for the post-closure monitoring and maintenance of the permitted facility for a minimum of twenty (20) years after closure of the facility, and may apply to the department for termination of the responsibility for post-closure monitoring and maintenance at any time after the site has been closed for at least twenty (20) years. Upon receipt of such application the department shall provide notice to the public and to the owner or operator and an opportunity for a hearing on the termination of the site. In this proceeding the burden shall be on the applicant to prove by clear and convincing evidence that additional post-closure monitoring and maintenance is not necessary for adequate protection of public health or the environment. The department shall determine either that post-closure monitoring and maintenance of the site is no longer required in which case the applicant shall be relieved of such responsibility; or that additional post-closure monitoring and maintenance of the site as specified in a plan of operation is still required, in which case the department may order appropriate remedial measures, impose restrictive convenants as to future use of the property involved, or otherwise condition termination as may be necessary for adequate protection of public health and the environment.

SECTION 6. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The department shall promulgate regulations requiring, in connection with the application, review and issuance of generator registration certificates showing compliance with Section 4 of this Act or hazardous waste permits issued pursuant to Section 5 of this Act, the payment of a reasonable fee. The fee shall be reasonably related to the administrative cost of verifying data submitted pursuant to obtaining the certificates or permits and making reasonable inspections necessary for processing such applications.

SECTION 7. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Any record or any other information furnished to or obtained by the department relating to hazardous waste shall be open to reasonable public inspection, except that any record or information which constitutes a trade secret or confidential business information and is designated as such by the department upon a satisfactory showing by the owner in accordance with the rules and regulations of the department shall not be disclosed. Further, no record or information designated by the owner to be either a trade secret or confidential business information shall be released to the public, to the federal government or to any other agency, department or officer of the Commonwealth without providing the owner fifteen (15) days written notice.

Nothing herein shall be construed to prevent the use of such records or information by the department in compiling or publishing reports, analyses or summaries relating to general conditions in the environment, nor shall anything herein prevent the use of any record or other information for the purposes of administration or enforcement of any federal, state or local pollution control law. However, no such report, analyses, summary or use shall directly or indirectly publicly reveal information otherwise confidential under this section.

SECTION 8. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) (a) "Special wastes" mean those hazardous wastes of high volume and low hazard which include but are not limited to mining wastes, utility wastes (fly ash, bottom ash, scrubber sludge) sludge from pollution control equipment, water treatment facilities, and sewage treatment facilities, cement kiln dust, gas and oil drilling muds and oil production brines and any other waste so designated by the department.

(b) Disposal sites or facilities for "special wastes" shall be exempt from the provisions of Section 5 of this Act but may be regulated by the department consistent with P.L. 94-580 and regulations issued pursuant thereto unless a specified site or facility poses or may pose a threat of imminent hazard to public health or substantial environmental impact in which case the site or facility may be required by the department to comply with the provisions of Section 5 of this Act.

(c) Generators of special wastes shall register with the department and be subject to the provisions of Section 4 of this Act, except for generators of mining wastes which shall be regulated pursuant to the provisions of KRS Chapter 350.

(2) Retailers who generate waste oil shall be exempt from the provisions of Sections 4 and 5 of this Act but may be regulated by the department consistent with P.L. 94-580 and regulations issued pursuant thereto.

SECTION 9. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The department shall require the use of a manifest system for the orderly tracking of hazardous wastes from the generation site to the site of treatment, storage, and disposal. The system shall, at a minimum, require the designation of the generator, each transporter, the disposal facility, and the type and quantity of waste involved. The department may establish additional criteria to accommodate the manifest system to internal record keeping and to facilitate the monitoring of hazardous waste activity within the Commonwealth.

SECTION 10. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The department shall promulgate regulations establishing standards applicable to transporters of hazardous waste regarding record keeping and compliance with the manifest system. The department of transportation and the department of justice shall cooperate with and assist the department in implementing and enforcing the transportation provisions of any state hazardous waste regulations promulgated pursuant to this chapter. The specific nature and details of the assistance effort shall be established by a formal cooperative agreement acceptable to the departments.

Section 11. KRS 224.855 is amended to read as follows:

(1) No permit shall be issued until a complete application has been submitted to the department and the applicant has published that he has made application for a waste disposal site or facility in a manner reasonably calculated to inform that portion of the public which is most likely to be affected by the operation of the proposed waste disposal site or facility.

(2) At a minimum, publication shall be made at least once by advertisement in a daily or weekly newspaper of general circulation in the locality where the proposed site is to be located.

(3) The contents of the public notice of an application for a waste disposal site or facility shall include the following:

(a) The name and address of the applicant;

(b) A brief description of the activity for which a permit is being sought;

(c) A description of the proposed location;

(d) The name and address of this department; and

(e) The following statement: "Any person who may be aggrieved by the issuance of a permit for this proposed waste disposal site or facility may file with the department a petition which sets forth the grounds of the objection and demand a hearing pursuant to KRS 224.081(2)." Such hearing shall be held within the county where the solid waste disposal site or facility is proposed.

(4) No permit shall issue until at least thirty (30) days have expired following publication of the application. The applicant for a permit must establish the date of publication by a verified affidavit from the newspaper which publishes the advertisement. If a hearing is requested, no permit shall be issued prior to a completed hearing.

(5) *The fiscal court of the county, urban-county government, or governing body of an incorporated municipality wherein a hazardous waste disposal site or facility is proposed, shall conduct a public hearing after public notice has been given in accordance with KRS Chapter 424 and shall vote to approve or disapprove the hazardous waste disposal site or facility within thirty (30) days after the hearing described in subsection (4) of this section. If no hearing is requested under the provisions of subsection (4) of this section, the fiscal court, urban-county government, or governing body of an incorporated municipality shall vote to approve or disapprove the hazardous waste disposal site or facility within sixty (60) days following publication of the application. After a fiscal court or urban-county government or governing body of an incorporated municipality has voted to approve or disapprove a hazardous waste disposal site or facility, the court,*

urban-county government, or governing body of an incorporated municipality shall so notify the department in writing within ten (10) days. If a hazardous waste disposal site or facility is disapproved by the court, urban-county government, or governing body of an incorporated municipality, the reasons for disapproval shall be set forth clearly and concisely, and so recorded in the minutes. No permit shall be issued by the department if a fiscal court, urban-county government or governing body of an incorporated municipality disapproves the hazardous waste disposal site or facility in the manner prescribed herein [No permit shall be issued by the department for a hazardous waste disposal site for long-lived wastes that may require long term or perpetual care and maintenance except with the consent and approval of a majority of the members of the Kentucky house of representatives, a majority of the members of the Kentucky senate and the approval of the governor of Kentucky.

(6) Before an application to locate such a hazardous waste disposal site in Kentucky can be submitted for approval to the Kentucky general assembly, it must first receive the approval of the secretary of the department for natural resources and environmental protection. It shall be the responsibility of the department for natural resources and environmental protection to ensure that a comprehensive environmental impact statement is submitted and that public hearings are held in the county in which it is proposed to locate such a hazardous waste disposal site].

Section 12. KRS 224.994 is amended to read as follows:

(1) Any person who violates KRS 224.060, 224.140, 224.330 or who fails to perform any duties imposed by these sections, or who violates any determination, permit, rule, regulation or order of the department promulgated pursuant thereto shall be liable to a civil penalty not to exceed the sum of ten thousand dollars ($10,000) for each day during which such violation continues, and in addition, may be concurrently enjoined from any such violations as hereinafter provided in this section.

(2) Any person who willfully or with criminal negligence violates KRS 224.060, 224.140, 224.330 or any determination, permit, rule, regulation or order of the department promulgated pursuant to those sections which has become final or who knowingly provides false information in any document filed or required to be maintained under this chapter or who knowingly renders inaccurate any monitoring device or method shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one thousand dollars ($1,000) nor more than fifteen thousand dollars ($15,000) or by imprisonment for a term of not more than one year or by both fine and imprisonment for each separate violation. Each day upon which such violation occurs shall constitute a separate violation.

(3) Any person who violates any provision of this chapter other than KRS 224.060, 224.140, *and* 224.330, [and 224.890] except as provided in KRS 224.992, or who fails to perform any duties imposed by those sections, or who violates any determination or order of the department promulgated pursuant thereto shall be liable to a civil penalty not to exceed the sum of one thousand dollars ($1,000) for said violation and an additional civil penalty not to exceed one thousand dollars ($1,000) for each day during which such violation continues, and in addition, may be concurrently enjoined from any such violations as hereinafter provided in this section.

(4) The Franklin Circuit Court shall hold concurrent jurisdiction and venue of all civil, criminal, and injunctive actions instituted by the department or by the attorney general on its behalf for the enforcement of the provisions of this chapter or the orders, rules, and regulations of the department promulgated pursuant thereto.

(5) Any person who deposits leaves, clippings, prunings, garden refuse or household waste materials in any litter receptacle except with permission of the owner of such receptacle is guilty of a class B misdemeanor.

(6) Any person who places litter into a receptacle in such a manner that the litter may be carried away or deposited by the elements upon any property or water not owned by him is guilty of a class B misdemeanor.

(7) Any person knowingly violating any provision of KRS 244.905 to 244.970 or any rule or regulation adopted hereunder shall be guilty of a class B misdemeanor.

(8) In addition to or in lieu of the penalties set forth in KRS Chapters 532 and 534, any person found guilty of a second or subsequent offense related to littering may be ordered by the court to pick up litter for not less than four (4) hours.

Section 13. KRS 224.996 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 224.710 to 224.800 or who fails to perform any duties imposed by KRS 224.710 to 224.800, or who violates any determination or order of the department promulgated pursuant thereto shall be liable to a civil penalty of not to exceed the sum of one thousand dollars ($1,000) for said violation, and an additional civil penalty of not to exceed one thousand dollars ($1,000) for each day during which such violation continues, and in addition, may be enjoined from continuing such violations as hereinafter provided in this section. Such penalties shall be recoverable in an action brought in the name of the Commonwealth of Kentucky by the department's office of general counsel, or upon the secretary's request, by the attorney general.

(2) It shall be the duty of the department's office of general counsel, or upon the secretary's request, of the attorney general to bring an action for the recovery of the penalties hereinabove provided for, and to bring an action for an injunction against any person violating or threatening to violate any provision of KRS 224.710 to 224.800 or violating or threatening to violate any order or determination of the department promulgated pursuant thereto. In any such action any finding of the agency shall be prima facie evidence of the fact or facts found therein.

(3) (a) Any person who shall willfully violate any of the provisions of KRS 224.710 to 224.800 or any determination or order of the department promulgated pursuant to those sections which have become final shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) or by imprisonment for a term of not more than one (1) year or by both fine and imprisonment for each separate violation. Each day upon which such violation occurs shall constitute a separate violation.

(b) For violations by motor vehicles, the fine shall be not less than ten dollars ($10) nor more than fifty dollars ($50) for a first offense, and not less than fifty dollars ($50) nor more than one hundred dollars ($100) for each subsequent offense.

(4) The authority herein vested in the department's office of general counsel, or upon the secretary's request, in the attorney general to bring actions for injunctions for violations of KRS 224.710 to 224.800 or of any regulation, or order issued thereto, shall be exclusive. Nothing herein contained shall abridge the right of any person to recover actual compensatory damages resulting from any such violation.

(5) *Whenever* any person *transports, disposes, or generates hazardous waste in violation of the hazardous waste management provisions of this chapter or contrary to a permit, order, or rule issued or promulgated under this chapter or who fails to provide information or to meet reporting requirements required by terms and conditions of a permit or regulations promulgated pursuant to this chapter and the provisions of KRS 224.071 or subsection (6) of this section do not apply, the secretary shall give notice to the violator of his failure to comply with such requirements. If such violation extends beyond the thirtieth (30th) day after notification, the secretary may issue an order requiring compliance within a specified time period or may commence a civil action in a court of appropriate jurisdiction. The violator* [who violates any of the provisions of KRS 224.890 or who fails to perform any duties imposed by KRS 224.890 or who violates any determination or order of the department promulgated pursuant thereto] shall be liable for a civil penalty not to exceed the sum of twenty-five thousand dollars ($25,000) for each day during which such violation continues, and in addition, may be enjoined from continuing such violations *in a court of appropriate jurisdiction* [as hereinafter provided in this section].

(6) Any person who *knowingly transports, disposes, or generates hazardous waste in violation of this chapter, or contrary to a permit, order, or regulation issued or promulgated under this chapter, or knowingly makes a false statement, representation, or certification in an application for or form pertaining to a permit or in a notice or report required by the terms and conditions of an issued permit, shall be guilty of a Class D felony and upon conviction thereof shall be punished by a fine not to exceed twenty-five thousand dollars ($25,000) for each day of violation or by imprisonment for a term not less than one (1) year and not more than five (5) years or by both fine and imprisonment for each separate violation* [shall wilfully violate any of the provisions of KRS 224.890 or any determination or order of the department promulgated pursuant thereto shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not to exceed twenty-five thousand dollars ($25,000) for each day of violation or by imprisonment for a term not to exceed one (1) year or by both fine and imprisonment for each separate violation]. Each day upon which such violation occurs shall constitute a separate violation. [If the conviction is for a violation committed after a first conviction of such person under this section, punishment shall be by a fine not to exceed fifty thousand dollars ($50,000) for each day of violation or by imprisonment for a term not to exceed two (2) years or by both fine and imprisonment.]

(7) Nothing contained in subsections (5) and (6) of this section shall abridge the right of any person to recover actual compensatory damages resulting from any such violation.

Section 14. KRS 224.890 — Permits for generation, storage, treatment, recycling or disposal of hazardous wastes — Bond, and KRS 224.891 — Injunctive relief, are repealed.

The Committee Substitute to **SB 267** is as follows:

SB 267, AN ACT relating to the environment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The general assembly of the Commonwealth of Kentucky hereby finds, determines, and declares as follows:

(1) That technological progress and increases in the amounts of manufacturing are continuing to result in increasing quantities of hazardous waste being generated and prohibiting the generation of hazardous waste would result in a competitive economic disadvantage for the Commonwealth.

(2) That the Commonwealth is the site of much improper and inadequately regulated handling, treatment, transportation, storage, and disposal of hazardous waste which presents a threat to the public health, safety, and welfare and the environment;

(3) That by the enactment by the Congress of the United States of the resource conservation and recovery act of 1976 (Public Law 94-580), the generation, transportation, treatment, storage, recycling, and disposal of hazardous waste has been determined to be a matter of national importance, recognizing that hazardous waste presents, in addition to the problems generally associated with nonhazardous waste, special dangers to health and requires a greater degree of regulation than does nonhazardous waste;

(4) That the primary responsibility for proper hazardous waste management rests with the generators, transporters, treaters, storers, recyclers, and disposers of hazardous waste, subject to rules, regulations, guidelines, and standards promulgated by the department for natural resources and environmental protection and also subject to registration or permitting by the department for the purpose of effectuating safe and proper management at all steps in the hazardous waste cycle;

(5) That the participation of the private sector and the interested public in any aspect of hazardous waste management not expressly reserved as state or federal authority as set forth in this Act or other statutes is encouraged, moreover, it is preferable for hazardous waste management functions to be performed by the private sector when such is in the best interest of the public and conforms with the policies and provisions set forth in this Act;

(6) That as a matter of policy the Commonwealth in encouraging the development of hazardous waste management facilities should place a priority on environmentally sound alternatives to the land disposal of hazardous waste such as process changes, waste reduction, resource recovery and recycling, destruction, or treatment to render the waste nonhazardous; and

(7) That as a result of the conditions described in the foregoing findings, the problems of hazardous waste generation, transportation, treatment, storage, recycling, and disposal have become a matter of extreme state concern necessitating action by the general assembly to protect the public health, safety, and welfare and the environment of the Commonwealth.

Section 2. KRS 224.033 is amended to read as follows:

In addition to any other powers and duties vested in it by law, the department shall have the authority, power, and duty to:

(1) Exercise general supervision of the administration and enforcement of Acts 1972 (1st Ex. Sess.), ch. 3, and all rules, regulations and orders promulgated thereunder;

(2) Prepare and develop a comprehensive plan or plans related to the environment of the Commonwealth;

(3) Encourage industrial, commercial, residential and community development which provides the best usage of land areas, maximizes environmental benefits and minimizes the effects of less desirable environmental conditions;

(4) Develop and conduct a comprehensive program for the management of water, land, and air resources to assure their protection and balance utilization consistent with the environmental policy of the Commonwealth;

(5) Provide for the prevention, abatement, and control of all water, land, and air pollution including but not limited to that related to particulates, pesticides, gases, dust, vapors, noise, radiation, odor, nutrients, heated liquid, or other contaminants;

(6) Provide for the control and regulation of strip mining and reclamation in a manner to accomplish the purposes of KRS chapter 350;

(7) Secure necessary scientific, technical, administrative, and operational services, including laboratory facilities, by contract or otherwise;

(8) Collect and disseminate information and conduct educational and training programs relating to the protection of the environment;

(9) Appear and participate in proceedings before any federal regulatory agency involving or affecting the purposes of the department;

(10) Enter and inspect any property or premises for the purpose of investigating either actual or suspected sources of pollution or contamination or for the purpose of ascertaining compliance or noncompliance with Acts 1972 (1st Ex. Sess.), ch. 3, or any rule or regulation which may be promulgated thereunder;

(11) Conduct investigations and hold hearings and compel the attendance of witnesses and the production of accounts, books and records by the issuance of subpoenas;

(12) Accept, receive, and administer grants or other funds or gifts from public and private agencies including the federal government for the purpose of carrying out any of the functions of the department.

Such funds received by the department shall be deposited in the state treasury to the account of the department;

(13) Request and receive the assistance of any state or municipal educational institution, experiment station, laboratory, or other agency when it is deemed necessary or beneficial by the department in the performance of its duties;

(14) Advise, consult, and cooperate with other agencies of the Commonwealth, other states, the federal government, and interstate and interlocal agencies, and affected persons, groups and industries;

(15) Formulate guides for measuring presently unidentified environmental values and relationships so they can be given appropriate consideration along with social, economic, and technical considerations in decision making;

(16) Monitor the environment to afford more effective and efficient control practices, to identify changes and conditions in ecological systems and to warn of emergency conditions;

(17) Adopt, modify or repeal with the recommendation of the commission any standard, rule, regulation or plan specified in subsections (5) and (6) of KRS 224.045;

(18) Issue, after hearing, orders abating activities in violation of this chapter, or the provisions of Acts 1972 (1st Ex. Sess.), ch. 3, or the regulations promulgated pursuant thereto and requiring the adoption of such remedial measures as the department may deem necessary;

(19) Issue, continue in effect, revoke, modify, suspend or deny under such conditions as the department may prescribe, permits to discharge into any waters of the Commonwealth, and for the installation, alteration, expansion, or operation of any sewage system; the installation, alteration, or use of any machine, equipment, device or other article that may cause or contribute to air pollution or is intended primarily to prevent or control the emission of air pollution; or the establishment or construction and the operation or maintenance of waste disposal sites and facilities; and require that applications for such permits be accompanied by plans, specifications, and such other information as the department deems necessary;

(20) May establish, by regulation, a fee or schedule of fees for the cost of processing applications for permits authorized by this chapter, and for the cost of processing applications for exemptions or partial exemptions which may include but not be limited to the administrative costs of a hearing held as a result of such exemption application, except that applicants for existing or proposed publicly owned facilities shall be exempt from any such charge;

(21) May require for persons discharging into the waters or onto the land of the Commonwealth, by regulation, order or permit, technological levels of treatment and effluent limitations;

(22) Require, by regulation, that any person engaged in any operation regulated pursuant to this chapter install, maintain, and use at such locations and intervals as the department may prescribe any equipment, device or test and the methodologies and procedures for the use of such equipment, device or test to monitor the nature and amount of any substance emitted or discharged into the ambient air or waters or land of the Commonwealth and to provide any information concerning such monitoring to the department in accordance with the provisions of subsection (23) of this section;

(23) Require by regulation that any person engaged in any operation regulated pursuant to this chapter file with the department reports containing information as to location, size, height, rate of emission or discharge, and composition of any substance discharged or emitted into the ambient air or into the waters or onto the land of the Commonwealth, and such other information as the department may require;

(24) *Promulgate rules, regulations, guidelines, and standards for waste planning and management activities, approve waste management facilities, develop and publish a comprehensive statewide plan for nonhazardous waste management which shall contain, but not be limited to, the provisions set forth in KRS 109.031, and develop and publish a comprehensive statewide plan for hazardous waste management which shall contain, but not be limited to, the following:*

(a) A description of current hazardous waste management practices and costs, including treatment and disposal, within the Commonwealth;

(b) An inventory and description of all existing facilities where hazardous waste is being generated, treated, recycled, stored, or disposed of, including an inventory of the deficiencies of present facilities in meeting current hazardous waste management needs and a statement of the ability of present hazardous waste management facilities to comply with state and federal laws relating to hazardous waste;

(c) A description of the sources of hazardous waste affecting the Commonwealth including the types and quantities of hazardous waste currently being generated and a projection of such activities as can be expected to continue for not less than twenty (20) years into the future;

(d) An identification and continuing evaluation of those locations within the Commonwealth which are naturally or may be engineered to be suitable for the establishment of hazardous waste management facilities, and an identification of those general characteristics, values, and attributes which would render a particular location unsuitable, consistent with the policy of minimizing land disposal and encouraging the treatment and recycling of such wastes;

The statewide waste management plans shall be developed consistent with state and federal laws relating to waste [Establish a comprehensive waste management plan in order to ensure that wastes are properly collected, stored, processed, transported, disposed, and recycled];

(25) Perform such other and further acts as may be necessary to carry out the duties and responsibilities herein described; and

(26) Preserve existing clean air resources while ensuring economic growth by issuing regulations, which shall be no more stringent than federal requirements, setting maximum allowable increases from stationary sources over baseline concentrations of air contaminants to prevent significant deterioration in areas meeting the state and national ambient air quality standards.

Section 3. KRS 224.005 is amended to read as follows:

As used in this chapter unless the context clearly indicates otherwise:

(1) "Air contaminant" includes smoke, dust, soot, grime, carbon, or any other particulate matter, radioactive matter, noxious acids, fumes, gases, odor, vapor, or any combination thereof;

(2) "Air contaminant source" means any and all sources of emission of air contaminants, whether privately or publicly owned or operated. Without limiting the generality of the foregoing, this term includes all types of business, commercial and industrial plants, works, shops, and stores, and heating and power plants and stations, buildings and other structures of all types, including single and multiple family residences, apartments, houses, office buildings, public buildings, hotels, restaurants, schools, hospitals, churches, and other institutional buildings, automobiles, trucks, tractors, buses and other motor vehicles, garages and vending and service locations and stations, railroad locomotives, ships, boats and other waterborne craft, portable fuel-burning equipment, incinerators of all types (indoor and outdoor), refuse dumps and piles, and all stack and other chimney outlets from any of the foregoing;

(3) "Air pollution" means the presence in the outdoor atmosphere of one or more air contaminants in sufficient quantities and of such characteristics and duration as is or threatens to be injurious to human, plant, or animal life, or to property, or which unreasonably interferes with the comfortable enjoyment of life or property;

(4) "Cesspool" means a cavity in the ground which receives human excrement and domestic wastes to be partially absorbed directly by the surrounding soil;

(5) *"Closure" means the time at which a waste treatment, storage or disposal facility permanently ceases to accept wastes, and includes those actions taken by the owner or operator of the facility to prepare the site for post-closure monitoring and maintenance or to make it suitable for other uses;*

(6) "Commission" means the environmental quality commission;

(7)[(6)] "Secretary" means the secretary for natural resources and environmental protection;

(8)[(7)] "Department" means the department for natural resources and environmental protection;

(9)[(8)] "Disposal" means the discharge, deposit, injection, dumping, spilling, leaking or placing of any waste into or on any land or water so that such waste or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including ground waters;

(10)[(9)] "District" means an air pollution control district as provided for in KRS chapter 77;

(11)[(10)] "Effluent limitations" means any restrictions or prohibitions established under state law which includes, but is not limited to, effluent limitations, standards of performance for new sources, and toxic effluent standards on quantities, rates, and concentrations of chemical, physical, biological, and other constituents which are discharged into waters;

(12)[(11)] "Generating" means the act or process of producing wastes *except that any person who produces hazardous wastes in amounts not determined to be harmful to public health or the environment by regulation of the department consistent with the federal resource conservation and recovery act and regulations issued pursuant thereto shall not be a generator of hazardous waste or considered to be engaged in the generation of hazardous waste*;

(13)[(12)] "Person" means any individual, public or private corporation, political subdivision, government agency, municipality, copartnership, association, firm, trust, estate, or other entity whatsoever;

(14) "Post-closure monitoring and maintenance" means the routine care, maintenance and monitoring of a solid waste or hazardous waste treatment, storage or disposal facility following closure of the facility;

(15)[(13)] "Publicly owned treatment works" means any facility for the treatment of pollutants owned by the state, any political subdivision thereof, municipality, or other public entity;

(16)[(14)] "Recycling" means any process by which wastes are transformed into new products, useful materials, products, or energy;

(17)[(15)] "Schedule of compliance" means a schedule of remedial measures including an enforceable sequence of actions or operations leading to compliance with any limitation or standard;

(18)[(16)] "Seepage pit" means a dry well, leaching pit or any other cavity in the ground which receives the liquid discharge of a septic tank;

(19)[(17)] "Septic tank" means a septic toilet, chemical closet and any other watertight enclosure used for storage and decomposition of human excrement and domestic wastes;

(20)[(18)] "Sewage system" means individually or collectively those constructions or devices used for collecting, pumping, treating, and disposing of liquid or waterborne sewage, industrial wastes or other wastes;

(21) "Termination" means the final actions taken by the department as to a solid waste or hazardous waste treatment, storage or disposal facility when formal responsibilities for post-closure monitoring and maintenance cease;

(22)[(19)] "Waste disposal site or facility" means any place where [solid] waste is managed, processed or disposed of by incineration, landfilling or any other method;

(23)[(20)] "Storage" means the containment of hazardous wastes, either on a temporary basis or for a period of years, in such a manner as not to constitute disposal of such hazardous wastes;

(24)[(21)] "Tank" means any container when placed on a vehicle to carry in transport wastes removed from a septic tank, cesspool or seepage pit;

(25)[(22)] "Transportation" means any movement of hazardous waste by any mode, and any loading, unloading, or storage incidental thereto;

(26)[(23)] "Treatment" means any method, technique, or process designed to alter the physical, chemical, or biological character or composition of any pollutant or hazardous waste so as to render it less hazardous, nonhazardous, safer for transport, amenable to recycling, amenable to storage, or reduced in volume;

(27)[(24)] "Waste" means:

(a) "Hazardous waste" means any *discarded material or material to be discarded or* [waste] substance or combination of *such* substances *to be discarded,* in any form which because of its quantity, concentration or physical, chemical or infectious characteristics may *cause, or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed* [create a threat to public health or to animal, plant, and aquatic life forms, and includes but is not limited to substances which are toxic, flammable, corrosive, radioactive, irritants, strong sensitizers, or which generate pressure through decomposition, heat or other means]; nothing in this chapter shall be construed to apply to any activity or substance which is subject to the federal atomic energy act of 1954 or to *agricultural* wastes *including manures and crop residues, which are returned to the soil as fertilizers or soil conditioners or to pesticides, herbicides or fertilizers or their respective containers when disposed of under label instructions or in accordance with the federal insecticide, fungicide, and rodenticide act as amended* [produced by livestock];

(b) "Solid waste" means *any garbage, refuse, sludge from a waste treatment plant, water supply treatment plant, or air pollution control facility and other discarded material, including solid, liquid, semi-solid, or contained gaseous material resulting from industrial, commercial, mining and agricultural operations, and from community activities, but does not include solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows or industrial discharges which are point sources subject to permits under section 402 of the federal water pollution control act, as amended (86 stat. 880), or source, special nuclear, or by product material as defined by the atomic energy act of 1954, as amended (68 stat. 923)* [all putrescible and nonputrescible refuse in solid, semi-solid, liquid and contained gaseous form, but does not include sewage. Solid waste includes but is not limited to garbage, rubbish, ashes, incinerator residue, street refuse, dead animals, demolition wastes, construction wastes, solid commercial and industrial wastes, residential wastes, and special wastes including explosives, pathological and radioactive materials];

(28)[(25)] "Water" or "waters of the Commonwealth" means and includes any and all rivers, streams, creeks, lakes, ponds, impounding reservoirs, springs, wells, marshes and all other bodies of surface or underground water, natural or artificial, situated wholly or partly within or bordering upon the Commonwealth or within its jurisdiction;

(29)[(26)] "Water pollution" means the alteration of the physical, thermal, chemical, biological, or radioactive properties of the waters of the Commonwealth in such a manner, condition, or quantity that will be detrimental to the public health or welfare, to animal or aquatic life or marine life, to the use of such waters as present or future sources of public water supply or to the use of such waters for recreational, commercial, industrial, agricultural or other legitimate purposes;

(30)[(27)] "Pollutant" means and includes dredged spoil, solid waste, incinerator residue, sewage, sewage sludge, garbage, chemical, biological or radioactive materials, heat, wrecked or discarded equipment, rock, sand, soil, industrial, municipal or agricultural waste, and any substance resulting from the development, processing or recovery of any natural resource which may be discharged into water;

(31)[(28)] "NPDES" means National Pollutant Discharge Elimination System.

(32) "Manifest" means the principal document used in a management control system to trace the movement of hazardous wastes from generation to final disposal.

SECTION 4. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) The department shall promulgate regulations which establish standards for the generators of hazardous waste requiring such generators to do the following:

(a) Compile and maintain such information and record keeping regarding the quantities of hazardous waste generated, characteristics and composition of such waste and disposition of hazardous waste generated;

(b) Utilize proper labeling and containerization of hazardous waste as required by the department;

(c) Utilize a manifest for each shipment of hazardous waste and assure that the facility to which the waste is designated is a permitted facility;

(d) Provide information on the general chemical composition of the hazardous waste to persons transporting, treating, storing or disposing of hazardous waste;

(e) Keep all records and copies of manifest readily available for review and inspection by the designated representative of the department;

(f) Retain all records and manifest copies for a minimum of three (3) years or as required by the department;

(g) Compile a periodic report of hazardous waste generated, stored, transferred, treated, disposed or transported for treatment, storage, or disposal as required by the department.

(2) Any person who generates waste in this state shall make a determination as to whether or not such waste is hazardous pursuant to criteria promulgated by the department, and any generator of hazardous waste shall certify that all information required in notices or reports to the department or information provided on the manifest document is factual.

(3) The department shall promulgate regulations specifying the criteria by which wastes may be determined to be hazardous and based on use of these criteria maintain and update a list of wastes identified as hazardous wastes which shall be subject to the hazardous waste management provisions of this Act. The criteria and lists promulgated by the department shall be identical to any such criteria and lists proposed or promulgated by the U. S. environmental protection agency pursuant to P.L. 94-580. In providing for the management of hazardous waste, the department shall establish classes or categories of hazardous waste reflecting the relative degree of hazard consistent with P.L. 94-580 and regulations issued pursuant thereto. Any person generating any substance which either meets the criteria or is identified as hazardous waste shall within ninety (90) days of promulgation of the regulation so notify the department.

SECTION 5. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) No person shall engage in the storage, treatment, recycling or disposal of hazardous waste without first obtaining construction and operation permits from the department. The department shall promulgate regulations establishing standards for such permits but in no case shall a permit to construct or operate a hazardous waste disposal facility be issued unless it can be demonstrated that the proposed facility can be integrated into the surroundings in an environmentally compatible manner, including but not limited to insuring that hydrologic, seismologic, geologic and soil considerations have been adequately addressed in the permit application and in an operational plan. In no case shall a permit to construct a hazardous waste landfill or other site or facility for the land disposal of hazardous waste be approved or issued prior to notification of the department by the local unit of government of its actions pursuant to KRS 224.855(5). A person desiring a construction permit shall file an application on forms supplied by the department which shall contain such information the department deems necessary and provide evidence that the hazardous waste shall be treated, stored or disposed of in the manner prescribed by the department. The department may consider past performance in this or related fields by the applicant. The department, in making a determination to issue, deny or condition a construction permit, shall consider the following:

(a) An evaluation of alternatives, to include other locations and other treatment, storage, and disposal approaches, different from those proposed, available to the applicant;

(b) An evaluation of the public health, safety, and environmental aspects of the proposals;

(c) An evaluation of the social and economic impacts of the proposed action on the affected community, to include, at a minimum, changes in property values, community perception and other psychic costs, and the costs and availability of public services, facilities and improvements required to support the facility and protect public health, safety and the environment;

(d) An evaluation of mitigation measures to alleviate problems identified in subsections (b) and (c) of this section; and

(e) The relationship of the proposal to local planning and existing development.

Except that in the case of hazardous waste landfills or other sites or facilities for the land disposal of hazardous waste the provisions of paragraphs (c) and (e) of this subsection shall be determined by the local unit of government pursuant to KRS 224.855(5).

(2) Any hazardous waste which would migrate, leach, or generate gas in its normal state shall not be disposed of in a landfill unless such waste has been either neutralized, detoxified, solidified, encapsulated or otherwise treated so that the character of the waste is such that it will prevent substantial migration, leaching or gas generation or unless the landfill is designed and constructed in such manner as will prevent substantial migration, leaching or gas generation, that in either case may cause or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness or pose a substantial present or potential hazard to human health or the environment.

(3) In conjunction with the application for permits under this section the applicant shall establish adequate financial responsibility as follows:

(a) The applicant shall file as part of his application for a permit to construct the facility an estimate of the cost of closing the facility after its capacity is reached or operations have otherwise ceased. In the case of storage facilities, the cost of closing shall include the cost of properly disposing of the hazardous waste stored. The department shall evaluate this cost estimate and either accept the estimate as made or shall revise it in accordance with acceptable guidelines, using, where available, actual data on closure costs associated with similar existing facilities. Before a permit to operate can be issued the applicant for any hazardous waste permit shall deposit into an interest bearing account pursuant to an escrow agreement with the department a closure fund. Such closure fund shall be cash, irrevocable credit or other sureties satisfactory to the department in an amount equal to the cost estimate for closure. A bank or other financial institution approved by the department shall act as the escrow agent of the closure fund. The escrow agreement shall provide that disbursement is permissible only upon written approval of the department and whenever, on the basis of any information, the department determines that the owner or operator is in violation of any of the closure requirements for the facility, that the department shall have the right to use part or all of the closure fund to carry out the closure requirements. The escrow agent shall release these funds upon receiving a forfeiture order of the department issued pursuant to an appropriate administrative hearing considering one (1) or more closure violations. When the applicant has ceased operations at the facility and has completed closure of the site, he may apply to the department for return of the principle and interest in the closure fund. Upon determination that closure has been satisfactorily accomplished, the department shall release to the applicant all remaining funds accumulated in the closure fund.

(b) Any applicant for a hazardous waste disposal permit shall file with the department as part of his application an estimate of the annual cost of post-closure monitoring and routine maintenance at the site. The department shall evaluate the cost estimate, and, after such modification as may be necessary in light of its evaluation, shall give notice of acceptance of the cost estimate. This cost estimate which will be referred to as the annual post-closure operating cost will then be used to determine the annual cash payments during the life of the facility or over twenty (20) years whichever is shorter into a post-closure monitoring and maintenance fund to be used for monitoring and maintenance for a period of a minimum of twenty (20) years after facility closure. The post-closure monitoring and maintenance fund shall be established by an escrow agreement with the department and annual payments shall be placed in an interest bearing escrow account in a bank or other financial institution approved by the department which shall act as the escrow agent for the fund. The escrow agreement shall provide that whenever, on the basis of any information, the department determines that the owner or operator of the facility is in violation of any of the post-closure monitoring and maintenance requirements, the department shall have the right to use part or all of the funds to carry out the post-closure monitoring and maintenance for the facility. The escrow agent shall release these funds upon receiving a forfeiture order of the department issued pursuant to an appropriate administrative hearing considering one (1) or more post-closure monitoring and maintenance violations. One (1) year after closure and annually, thereafter, for a period of twenty (20) years, the applicant who has carried out all necessary post-closure maintenance and monitoring requirements may upon application to the department be reimbursed out of the post-closure monitoring and maintenance fund an amount equal to the estimated costs for monitoring and routine maintenance for that year and the interest accumulated on that portion of the fund for that year. Request for release of funds for reimbursement must be accompanied by an itemized list of costs incurred. Upon determination that the expenditures incurred are in accordance with the approved plan or otherwise justified the department may authorize the release of the funds to the applicant in writing. Any funds remaining in the escrow account following a termination hearing in which the applicant is released of further responsibility will likewise be released to the applicant.

(c) Before a permit can be issued the applicant for any hazardous waste permit must provide evidence of financial responsibility in an amount and for a time period specified by the department for the purpose of satisfying claims arising out of injury to persons or property resulting from the release or escape of hazardous waste into the environment. Such financial responsibility may be established by one or a combination of evidence of liability insurance, self-insurance, or other evidence of financial responsibility acceptable to the department. The level of self-insurance shall not exceed ten percent (10%) of equity, and financial responsibility must be maintained during the entire operation of the facility and until termination.

(4) The department shall promulgate regulations establishing minimal standards for closure, post-closure monitoring and maintenance, and termination of sites for the disposal of hazardous waste. Any person who obtains a disposal permit for hazardous waste shall be responsible for the post-closure monitoring and maintenance of the permitted facility for a minimum of twenty (20) years after closure of the facility, and may apply to the department for termination of the responsibility for post-closure monitoring and maintenance at any time after the site has been closed for at least twenty (20) years. Upon receipt of such application the department shall provide notice to the public and to the owner or operator and an opportunity for a hearing on the termination of the site. In this proceeding the burden shall be on the applicant to prove

by clear and convincing evidence that additional post-closure monitoring and maintenance is not necessary for adequate protection of public health or the environment. The department shall determine either that post-closure monitoring and maintenance of the site is no longer required in which case the applicant shall be relieved of such responsibility; or that additional post-closure monitoring and maintenance of the site as specified in a plan of operation is still required, in which case the department may order appropriate remedial measures, impose restrictive convenants as to future use of the property involved, or otherwise condition termination as may be necessary for adequate protection of public health and the environment.

SECTION 6. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The department shall promulgate regulations requiring, in connection with the application, review and issuance of generator registration certificates showing compliance with Section 4 of this Act or hazardous waste permits issued pursuant to Section 5 of this Act, the payment of a reasonable fee. The fee shall be reasonably related to the administrative cost of verifying data submitted pursuant to obtaining the certificates or permits and making reasonable inspections necessary for processing such applications.

SECTION 7. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Any record or any other information furnished to or obtained by the department relating to hazardous waste shall be open to reasonable public inspection, except that any record or information which constitutes a trade secret or confidential business information and is designated as such by the department upon a satisfactory showing by the owner in accordance with the rules and regulations of the department shall not be disclosed. Further, no record or information designated by the owner to be either a trade secret or confidential business information shall be released to the public, to the federal government or to any other agency, department or officer of the Commonwealth without providing the owner fifteen (15) days written notice.

Nothing herein shall be construed to prevent the use of such records or information by the department in compiling or publishing reports, analyses or summaries relating to general conditions in the environment, nor shall anything herein prevent the use of any record or other information for the purposes of administration or enforcement of any federal, state or local pollution control law. However, no such report, analyses, summary or use shall directly or indirectly publicly reveal information otherwise confidential under this section.

SECTION 8. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) (a) "Special wastes" mean those hazardous wastes of high volume and low hazard which include but are not limited to mining wastes, utility wastes (fly ash, bottom ash, scrubber sludge), sludge from water treatment facilities and sewage treatment facilities, cement kiln dust, gas and oil drilling muds and oil production brines and any other waste so designated by the department.

(b) Disposal sites or facilities for "special wastes" shall be exempt from the provisions of Section 5 of this Act but may be regulated by the department consistent with P.L. 94-580 and regulations issued pursuant thereto unless a specified site or facility poses or may pose a threat of imminent hazard to public health or substantial environmental impact in which case the site or facility may be required by the department to comply with the provisions of Section 5 of this Act.

(c) Generators of special wastes shall register with the department and be subject to the provisions of Section 4 of this Act, except for generators of coal mining wastes which shall be regulated pursuant to the provisions of KRS Chapter 350.

(2) Generators of waste oil shall be exempt from the provisions of Sections 4 and 5 of this Act but may be regulated by the department consistent with P.L. 94-580 and regulations issued pursuant thereto.

SECTION 9. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The department shall require the use of a manifest system for the orderly tracking of hazardous wastes from the generation site to the site of treatment, storage, and disposal except for coal mining wastes pursuant to Section 8(1)(c) of this Act. The system shall, at a minimum, require the designation of the generator, each transporter, the disposal facility, and the type and quantity of waste involved. The department may establish additional criteria to accommodate the manifest system to internal record keeping and to facilitate the monitoring of hazardous waste activity within the Commonwealth.

SECTION 10. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The department shall promulgate regulations establishing standards applicable to transporters of hazardous waste regarding record keeping and compliance with the manifest system. The department of transportation and the department of justice shall cooperate with and assist the department in implementing and enforcing the transportation provisions of any state hazardous waste regulations promulgated pursuant to this chapter. The specific nature and details of the assistance effort shall be established by a formal cooperative agreement acceptable to the departments.

Section 11. KRS 224.855 is amended to read as follows:

(1) No permit shall be issued until a complete application has been submitted to the department and the applicant has published that he has made application for a waste disposal site or facility in a manner reasonably calculated to inform that portion of the public which is most likely to be affected by the operation of the proposed waste disposal site or facility.

(2) At a minimum, publication shall be made at least once by advertisement in a daily or weekly newspaper of general circulation in the locality where the proposed site is to be located.

(3) The contents of the public notice of an application for a waste disposal site or facility shall include the following:

(a) The name and address of the applicant;
(b) A brief description of the activity for which a permit is being sought;
(c) A description of the proposed location;
(d) The name and address of this department; and
(e) The following statement: "Any person who may be aggrieved by the issuance of a permit for this proposed waste disposal site or facility may file with the department a petition which sets forth the grounds of the objection and demand a hearing pursuant to KRS 224.081(2)." Such hearing shall be held within the county where the [solid] waste disposal site or facility is proposed.

(4) No permit shall issue until at least thirty (30) days have expired following publication of the application. The applicant for a permit must establish the date of publication by a verified affidavit from the newspaper which publishes the advertisement. If a hearing is requested, no permit shall be issued prior to a completed hearing. *In the case of hazardous waste landfills and other sites or facilities for the land disposal of hazardous waste no permit shall be approved or issued prior to notification of the department by the local unit of government of its actions pursuant to subsection (5) of this section.*

(5) *The fiscal court of the county, urban-county government, or governing body of an incorporated municipality wherein a hazardous waste landfill or other site or facility for the land disposal of hazardous waste is proposed, shall conduct a public hearing after public notice has been given in accordance with KRS Chapter 424 and shall vote to approve or disapprove the hazardous waste landfill or other site or facility for the land disposal of hazardous waste within thirty (30) days after the hearing described in subsections (3) and (4) of this section. If no hearing is requested under the provisions of subsections (3) and (4) of this section, the fiscal court, urban-county government, or governing body of an incorporated municipality shall conduct such public hearing and vote to approve or disapprove the hazardous waste landfill or other site or facility for the land disposal of hazardous waste within sixty (60) days following publication of the application. In making a determination the fiscal court, urban-county government, or governing body of an incorporated municipality shall consider the social and economic impacts of the proposed hazardous waste landfill or other site or facility for the land disposal of hazardous waste on the affected community, including changes in property values, community perception and other psychic costs; costs and availablity of public services, facilities and improvements required to support the landfill or other site or facility and protect public health, safety and the environment; and the relationship of the proposed hazardous waste landfill or other site or facility for the land disposal of hazardous waste to local planning and existing development. After a fiscal court or urban-county government or governing body of an incorporated municipality has voted to approve or disapprove a hazardous waste landfill or other site or facility for the land disposal of hazardous waste, the court, urban-county government, or governing body of an incorporated municipality shall so notify the department in writing within ten (10) days. If a hazardous waste landfill or other site or facility for the land disposal of hazardous waste is disapproved by the court, urban-county government, or governing body of an incorporated municipality, the reasons for disapproval shall be set forth clearly and concisely, and so recorded in the minutes. No permit shall be issued by the department if a fiscal court, urban-county government or governing body of an incorporated municipality disapproves the hazardous waste landfill or other site or facility for the land disposal of hazardous waste in the manner prescribed herein* [No permit shall be issued by the department for a hazardous waste disposal site for long-lived wastes that may require long term or perpetual care and maintenance except with the consent and approval of a majority of the members of the Kentucky house of representatives, a majority of the members of the Kentucky senate and the approval of the governor of Kentucky.

(6) Before an application to locate such a hazardous waste disposal site in Kentucky can be submitted for approval to the Kentucky general assembly, it must first receive the approval of the secretary of the department for natural resources and environmental protection. It shall be the responsibility of the department for natural resources and environmental protection to ensure that a comprehensive environmental impact statement is submitted and that public hearings are held in the county in which it is proposed to locate such a hazardous waste disposal site].

Section 12. KRS 224.994 is amended to read as follows:

(1) Any person who violates KRS 224.060, 224.140, 224.330 or who fails to perform any duties imposed by these sections, or who violates any determination, permit, rule, regulation or order of the department promulgated pursuant thereto shall be liable to a civil penalty not to exceed the sum of ten thousand

dollars ($10,000) for each day during which such violation continues, and in addition, may be concurrently enjoined from any such violations as hereinafter provided in this section.

(2) Any person who willfully or with criminal negligence violates KRS 224.060, 224.140, 224.330 or any determination, permit, rule, regulation or order of the department promulgated pursuant to those sections which has become final or who knowingly provides false information in any document filed or required to be maintained under this chapter or who knowingly renders inaccurate any monitoring device or method shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one thousand dollars ($1,000) nor more than fifteen thousand dollars ($15,000) or by imprisonment for a term of not more than one year or by both fine and imprisonment for each separate violation. Each day upon which such violation occurs shall constitute a separate violation.

(3) Any person who violates any provision of this chapter other than KRS 224.060, 224.140, *and* 224.330, [and 224.890] except as provided in KRS 224.992, or who fails to perform any duties imposed by those sections, or who violates any determination or order of the department promulgated pursuant thereto shall be liable to a civil penalty not to exceed the sum of one thousand dollars ($1,000) for said violation and an additional civil penalty not to exceed one thousand dollars ($1,000) for each day during which such violation continues, and in addition, may be concurrently enjoined from any such violations as hereinafter provided in this section.

(4) The Franklin Circuit Court shall hold concurrent jurisdiction and venue of all civil, criminal, and injunctive actions instituted by the department or by the attorney general on its behalf for the enforcement of the provisions of this chapter or the orders, rules, and regulations of the department promulgated pursuant thereto.

(5) Any person who deposits leaves, clippings, prunings, garden refuse or household waste materials in any litter receptacle except with permission of the owner of such receptacle is guilty of a class B misdemeanor.

(6) Any person who places litter into a receptacle in such a manner that the litter may be carried away or deposited by the elements upon any property or water not owned by him is guilty of a class B misdemeanor.

(7) Any person knowingly violating any provision of KRS 244.905 to 244.970 or any rule or regulation adopted hereunder shall be guilty of a class B misdemeanor.

(8) In addition to or in lieu of the penalties set forth in KRS Chapters 532 and 534, any person found guilty of a second or subsequent offense related to littering may be ordered by the court to pick up litter for not less than four (4) hours.

Section 13. KRS 224.996 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 224.710 to 224.800 or who fails to perform any duties imposed by KRS 224.710 to 224.800, or who violates any determination or order of the department promulgated pursuant thereto shall be liable to a civil penalty of not to exceed the sum of one thousand dollars ($1,000) for said violation, and an additional civil penalty of not to exceed one thousand dollars ($1,000) for each day during which such violation continues, and in addition, may be enjoined from continuing such violations as hereinafter provided in this section. Such penalties shall be recoverable in an action brought in the name of the Commonwealth of Kentucky by the department's office of general counsel, or upon the secretary's request, by the attorney general.

(2) It shall be the duty of the department's office of general counsel, or upon the secretary's request, of the attorney general to bring an action for the recovery of the penalties hereinabove provided for, and to bring an action for an injunction against any person violating or threatening to violate any provision of KRS 224.710 to 224.800 or violating or threatening to violate any order or determination of the department promulgated pursuant thereto. In any such action any finding of the agency shall be prima facie evidence of the fact or facts found therein.

(3) (a) Any person who shall willfully violate any of the provisions of KRS 224.710 to 224.800 or any determination or order of the department promulgated pursuant to those sections which have become final shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) or by imprisonment for a term of not more than one (1) year or by both fine and imprisonment for each separate violation. Each day upon which such violation occurs shall constitute a separate violation.

(b) For violations by motor vehicles, the fine shall be not less than ten dollars ($10) nor more than fifty dollars ($50) for a first offense, and not less than fifty dollars ($50) nor more than one hundred dollars ($100) for each subsequent offense.

(4) The authority herein vested in the department's office of general counsel, or upon the secretary's request, in the attorney general to bring actions for injunctions for violations of KRS 224.710 to 224.800 or of any regulation, or order issued thereto, shall be exclusive. Nothing herein contained shall abridge the right of any person to recover actual compensatory damages resulting from any such violation.

(5) *Whenever* any person *transports, disposes, or generates hazardous waste in violation of the hazardous waste management provisions of this chapter or contrary to a permit, order, or rule issued or*

promulgated under this chapter or who fails to provide information or to meet reporting requirements required by terms and conditions of a permit or regulations promulgated pursuant to this chapter and the provisions of KRS 224.071 or subsection (6) of this section do not apply, the secretary shall give notice to the violator of his failure to comply with such requirements. If such violation extends beyond the thirtieth (30th) day after notification, the secretary may issue an order requiring compliance within a specified time period or may commence a civil action in a court of appropriate jurisdiction. The violator [who violates any of the provisions of KRS 224.890 or who fails to perform any duties imposed by KRS 224.890 or who violates any determination or order of the department promulgated pursuant thereto] shall be liable for a civil penalty not to exceed the sum of twenty-five thousand dollars ($25,000) for each day during which such violation continues, and in addition, may be enjoined from continuing such violations *in a court of appropriate jurisdiction* [as hereinafter provided in this section].

(6) Any person who *knowingly transports, disposes, or generates hazardous waste in violation of this chapter, or contrary to a permit, order, or regulation issued or promulgated under this chapter, or knowingly makes a false statement, representation, or certification in an application for or form pertaining to a permit or in a notice or report required by the terms and conditions of an issued permit, shall be guilty of a Class D felony and upon conviction thereof shall be punished by a fine not to exceed twenty-five thousand dollars ($25,000) for each day of violation or by imprisonment for a term not less than one (1) year and not more than five (5) years or by both fine and imprisonment for each separate violation* [shall wilfully violate any of the provisions of KRS 224.890 or any determination or order of the department promulgated pursuant thereto shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not to exceed twenty-five thousand dollars ($25,000) for each day of violation or by imprisonment for a term not to exceed one (1) year or by both fine and imprisonment for each separate violation]. Each day upon which such violation occurs shall constitute a separate violation. [If the conviction is for a violation committed after a first conviction of such person under this section, punishment shall be by a fine not to exceed fifty thousand dollars ($50,000) for each day of violation or by imprisonment for a term not to exceed two (2) years or by both fine and imprisonment.]

(7) Nothing contained in subsections (5) and (6) of this section shall abridge the right of any person to recover actual compensatory damages resulting from any such violation.

Section 14. KRS 224.890 — Permits for generation, storage, treatment, recycling or disposal of hazardous wastes — Bond, and KRS 224.891 — Injunctive relief, are repealed.

The Committee on Judiciary reported **SB 277** with Committee Substitute attached thereto, and **SB 305** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 277, AN ACT relating to crimes and punishments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 500.090 is amended to read a follows:

(1) All property which is subject to forfeiture under any section of the Kentucky Penal Code shall be disposed of in accordance with this section.

(a) Property which is forfeited under any section of this code may, upon order of the trial court, be destroyed by the sheriff of the county in which the conviction was obtained.

(b) Property which is forfeited under any section of this code may, upon order of the trial court, be sold at public auction. The expenses of keeping and selling such property and the amount of all valid recorded liens that are established by intervention as being bona fide shall be paid out of the proceeds of the sale. The balance shall be paid to the general fund of the state.

(c) If property which is forfeited under any section of this code is determined by the trial court to be worthless, encumbered with liens in excess of its value, or otherwise a burdensome asset, the court may abandon any interest in such property. Property which is abandoned pursuant to this section shall be returned to the lawful claimant upon payment of expenses for keeping the property.

(d) Property which is forfeited under any section of this code may, upon order of the trial court, be retained for official [state] use *in the following manner. Property which has been seized by an agency of the state may be retained for official state use. Property which has been seized by an agency of county, city, or urban-county government may be retained for official use by the government whose agency seized the property or for official state use. Property seized by any other unit of government may be retained only for official state use.* The expenses for keeping and transferring such property shall be paid by the *unit of government by which the property is retained* [state].

(2) Money which has been obtained or conferred in violation of any section of this code shall, upon conviction, be forfeited for the use of the state. This subsection shall not apply when, during the course of the proceeding in which the conviction is obtained, the person from whom said money was unlawfully acquired is identified.

(3) Property forfeited under any section of this code shall be disposed of in accordance with this section only after being advertised pursuant to KRS Chapter 424. This subsection shall not apply to property which is designed and suitable only for criminal use or to money forfeited under subsection (2) of this section;

(4) The trial court shall remit the forfeiture of property when the lawful claimant:

(a) Asserts his claim before disposition of the property pursuant to this section;

(b) Establishes his legal interest in the property; and

(c) Establishes that the unlawful use of the property was without his knowledge and consent. Subsection (4) shall not apply to a lienholder of record when the trial court elects to dispose of the property pursuant to subsection (1) (b) of this section.

(5) For purposes of this section, "lawful claimant" means owner or lienholder of record.

(6) *Before property which has had its identity obscured in violation of KRS 514.120 may be sold or retained for official use as provided in this section, the court shall cause a serial or other identifying number to be placed thereon and a record of the number assigned shall be placed in the court order authorizing the sale or retention of the property. This number shall be assigned, whenever applicable, in consultation with the Kentucky state police, and, any other state or federal regulatory agency. The purchaser of the property shall be given a document stating that the property had been forfeited pursuant to law and that a number, shown on the document, has been assigned which shall be deemed as compliance of the owner with KRS 514.120. When property is returned to an owner pursuant to this section and its identity has been obscured by another person in violation of KRS 514.120 the court shall provide a document to the owner relieving him of liability for its continued possession. This document shall serve as evidence of compliance with KRS 514.120 by the owner or any person to whom he lawfully disposes of the property. This section shall not apply to any person, after property has been sold or returned in compliance with this section who violates the provisions of KRS 514.120 with respect to that property.*

(7) Before forfeiture of any property under this section it shall be the duty of the trial court to determine if a lawful owner or claimant to the property has been identified or is identifiable. If a lawful owner or claimant has been identified or is identifiable the court shall notify the owner or claimant that the property is being held and specify a reasonable period of time during which the claim may be made, or may, in lieu thereof, order the return of the property to the lawful owner or claimant. If the lawful owner or claimant does not assert his claim to the property after notification or if he renounces his claim to the property, the property shall be disposed of as provided in this section. It shall be the duty of all peace officers and other public officers or officials having knowledge of the lawful owner or claimant of property subject to forfeiture to report the same to the trial court before the act of forfeiture occurs.

Section 2. KRS 514.010 is amended to read as follows:

The following definitions apply in this chapter unless the context otherwise requires:

(1) "Deprive" means:

(a) To withhold property of another permanently or for so extended a period as to appropriate a major portion of its economic value or with intent to restore only upon payment of reward or other compensation; or

(b) To dispose of the property so as to make it unlikely that the owner will recover it.

(2) *"Exercise control", with respect to the theft of an automobile or propelled vehicle, includes the mere act of unlawful entry into a vehicle and it shall be unnecessary to start the vehicle or move the vehicle for the offense to occur.*

(3) "Financial institution" means a bank, insurance company, credit union, building and loan association, savings and loan association, investment trust or other organization held out to the public as a place of deposit of funds or medium of savings or collective investment. .

(4)[(3)] "Movable property" means property the location of which can be changed, including things growing on, affixed to, or found in land, and documents although the rights represented thereby have no physical location. "Immovable property" is all other property.

(5)[(4)] "Obtain" means:

(a) In relation to property, to bring about a transfer or purported transfer from another person of a legal interest in the property, whether to the obtainer or another; or

(b) In relation to labor or service, to secure performance thereof.

(6) "Propelled vehicle" means any vehicle, including but not limited to motor vehicles, aircraft, boats, or construction machinery, which is propelled otherwise than by muscle power or which is readily capable of being towed otherwise than by muscle power.

(7)[(5)] "Property" means anything of value, including real estate, tangible and intangible personal property, contract rights, documents, choses-in-action and other interests in or claims to wealth, admission or transportation tickets, captured or domestic animals, food and drink.

(8)[(6)] "Property of another" includes property in which any person other than the actor has an interest which the actor is not privileged to infringe, regardless of the fact that the actor also has an interest in the property and regardless of the fact that the other person might be precluded from civil recovery because the property was used in an unlawful transaction or was subject to forfeiture as contraband. Property in possession of the actor shall not be deemed property of another who has only a security interest therein, even if legal title is in the creditor pursuant to a conditional sales contract or other security arrangement.

(9)[(7)] "Receiving" means acquiring possession, control or title or lending on the security of the property.

(10)[(8)] "Services" includes labor, professional service, transportation, telephone, electricity, gas, water or other public service, accommodation in hotels, restaurants or elsewhere, admission to exhibitions, use of vehicles or other movable property.

Section 3. KRS 514.020 is amended to read as follows:

(1) It is a defense to prosecution for theft that the actor:

(a) Was unaware that the property or service was that of another; or

(b) Acted under a claim of right to the property or service involved or a claim that he had a right to acquire or dispose of it as he did; or

(c) Took property exposed for sale, intending to purchase and pay for it promptly, or reasonably believing that the owner, if present, would have consented.

(2) It is no defense that theft was from the actor's spouse, except that misappropriation of household and personal effects or other property normally accessible to both spouses is theft only if it involves the property of the other spouse and only if it occurs after the parties have ceased living together.

(3) It shall be prima facie evidence of intent to commit theft by deception when one who has leased or rented the personal property of another fails to return the personal property to its owner within 10 days after the lease or rental agreement has expired. It shall also be prima facie evidence of intent to commit theft by deception when one presents to the owner identification which is false, fictitious or not current as to name, address, place of employment or other items of identification for the purpose of obtaining the lease or rental agreement. Nothing herein contained shall relieve the owner from making demand for return of property so leased or rented. Notice addressed and mailed to the lessee or renter at the address given at the time of the making of the lease or rental agreement shall constitute proper demand.

(4) Possession of property in violation of this chapter shall be prima facie evidence of the intent to deprive another of it within the meaning of KRS 514.010.

SECTION 4. A NEW SECTION OF KRS CHAPTER 514 IS CREATED TO READ AS FOLLOWS:

(1) A person is guilty of theft of an automobile or other propelled vehicle when he unlawfully takes or exercises control over the automobile or other propelled vehicle of another with the intent to deprive him thereof.

(2) Theft of an automobile or other propelled vehicle is a Class D felony.

Section 5. KRS 514.100 is amended to read as follows:

(1) A person is guilty of the unauthorized use of an automobile or other propelled vehicle when he knowingly operates, exercises control over, or otherwise uses such vehicle without consent of the owner or person having legal possession thereof.

(2) Unauthorized use of automobiles or other propelled vehicle is a Class A misdemeanor *unless the defendant has previously been convicted of this offense, violation of Section 4 of this Act, or of violation of KRS 514.030 for having stolen an automobile or other propelled vehicle in which case it shall be a Class D felony.*

Section 6. KRS 514.120 is amended to read as follows:

(1) A person is guilty of obscuring the identity of a machine or other property when he:

(a) Removes, defaces, covers, alters, destroys or otherwise obscures the manufacturer's serial number or any other distinguishing identification number or mark including property marked with a social security number or motor vehicle operator's license number for identification purposes upon any automobile or other propelled vehicle, machine, or electrical or mechanical device or other property *(including any part thereof)* with intent to render it *or other property* unidentifiable; or

(b) Possesses [for the purpose of sale in the course of business] any automobile or other propelled vehicle, machine, or electrical or mechanical device or other property *(including any part thereof)* knowing that the serial number or other identification number or mark including property marked with a social security number for identification purposes has been removed, defaced, covered, altered, destroyed or otherwise obscured.

(2) Possession of any automobile or other propelled vehicle, machine, or electrical or mechanical device or other property *(including any part thereof)* [held for sale in the course of business] on which the serial number or any other distinguishing identification number or mark including property marked with a social security number or motor vehicle operator's license number for identification purposes has been

removed, defaced, covered, altered, destroyed or otherwise obscured is prima facie evidence of knowledge of that fact.

(3) *A person in possession of any property which is otherwise in violation of this section may apply in writing to the Kentucky state police, through any law enforcement agency in the county of his residence, for assignment of a number for the property providing he can show that he is the lawful owner of the property pursuant to the provisions of this Act. If a number is issued in conformity with the provisions of this Act then the person to whom it was issued and any person to whom the property is lawfully disposed of shall not be in violation of this Act. A person lawfully holding a certification issued pursuant to KRS 500.090 shall also be deemed in compliance with this section. This section shall apply only when the application has been filed by the defendant prior to arrest or authorization of a warrant of arrest for the defendant by a court.* [A report by the defendant to the police or other appropriate government agency prior to arrest or authorization of a warrant by a court is a defense to a charge of violating subsection (1)(b).]

(4) Obscuring the identity of a machine or other property is a Class A misdemeanor *unless the value of the property is one hundred dollars ($100) or more, in which case it is a Class D felony.*

SECTION 7. A NEW SECTION OF KRS CHAPTER 514 IS CREATED TO READ AS FOLLOWS:

(1) Upon the conviction of any person for the violation of any offense in this chapter all property held in violation of this chapter, and any personal property, including but not limited to vehicles or aircraft, used in the commission or furtherance of an offense under this chapter or in the transportation of stolen property shall be forfeited as provided in KRS 500.090 by court order and sold, destroyed or otherwise disposed of in accordance with KRS 500.090.

(2) Possession of a vehicle with a stolen major part or parts installed thereon shall be deemed to bring the entire vehicle within the provisions of subsection (1) of this section.

(3) For the purposes of this section a major part of an automobile or other propelled vehicle shall mean:

(a) The engine;
(b) The frame;
(c) The transmission;
(d) The front cap ("dog house");
(e) The front clip;
(f) The rear clip;
(g) The top clip;
(h) The cowl clip;
(i) A door;
(j) A truck bed;
(k) A truck cab; or
(l) A vehicle body shell.

(4) It shall be the duty of every peace officer to seize any property which is subject to forfeiture under this section.

SECTION 8. A NEW SECTION OF KRS CHAPTER 16 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky state police shall administer a program for the investigation of applications filed pursuant to Section 6 of this Act and the disposition of property pursuant to Section 1 of this Act.

(2) Upon a finding by the Kentucky state police or a local law enforcement agency assigned by the Kentucky state police to investigate an application filed pursuant to this Act that the property is lawfully owned by the applicant the Kentucky state police shall issue, or cause to be issued, in consultation with any state or federal regulatory agency, a suitable identification number to be affixed to the property together with a document stating the number so issued.

(3) Upon a finding by the Kentucky state police or a local law enforcement agency assigned by the Kentucky state police to investigate an application filed pursuant to this Act that the property is not lawfully owned by the applicant the Kentucky state police shall seize the property or cause it to be seized by the local agency and held for disposition by a court of competent jurisdiction.

(4) The Kentucky state police shall issue such regulations as are reasonably necessary to enforce the provisions of this section and Sections 1 and 6 of this Act.

The Committee Substitute to **SB 277** is as follows:

SB 277, AN ACT relating to crimes and punishments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 500.090 is amended to read a follows:

(1) All property which is subject to forfeiture under any section of the Kentucky Penal Code shall be disposed of in accordance with this section.

(a) Property which is forfeited under any section of this code may, upon order of the trial court, be destroyed by the sheriff of the county in which the conviction was obtained.

(b) Property which is forfeited under any section of this code may, upon order of the trial court, be sold at public auction. The expenses of keeping and selling such property and the amount of all valid recorded liens that are established by intervention as being bona fide shall be paid out of the proceeds of the sale. The balance shall be paid to the general fund of the state.

(c) If property which is forfeited under any section of this code is determined by the trial court to be worthless, encumbered with liens in excess of its value, or otherwise a burdensome asset, the court may abandon any interest in such property. Property which is abandoned pursuant to this section shall be returned to the lawful claimant upon payment of expenses for keeping the property.

(d) Property which is forfeited under any section of this code may, upon order of the trial court, be retained for official [state] use *in the following manner. Property which has been seized by an agency of the state may be retained for official state use. Property which has been seized by an agency of county, city, or urban-county government may be retained for official use by the government whose agency seized the property or for official state use. Property seized by any other unit of government may be retained only for official state use.* The expenses for keeping and transferring such property shall be paid by the *unit of government by which the property is retained* [state].

(2) Money which has been obtained or conferred in violation of any section of this code shall, upon conviction, be forfeited for the use of the state. This subsection shall not apply when, during the course of the proceeding in which the conviction is obtained, the person from whom said money was unlawfully acquired is identified.

(3) Property forfeited under any section of this code shall be disposed of in accordance with this section only after being advertised pursuant to KRS Chapter 424. This subsection shall not apply to property which is designed and suitable only for criminal use or to money forfeited under subsection (2) of this section;

(4) The trial court shall remit the forfeiture of property when the lawful claimant:

(a) Asserts his claim before disposition of the property pursuant to this section;

(b) Establishes his legal interest in the property; and

(c) Establishes that the unlawful use of the property was without his knowledge and consent. Subsection (4) shall not apply to a lienholder of record when the trial court elects to dispose of the property pursuant to subsection (1) (b) of this section.

(5) For purposes of this section, "lawful claimant" means owner or lienholder of record.

(6) *Before property which has had its identity obscured in violation of KRS 514.120 may be sold or retained for official use as provided in this section, the court shall cause a serial or other identifying number to be placed thereon and a record of the number assigned shall be placed in the court order authorizing the sale or retention of the property. This number shall be assigned, whenever applicable, in consultation with the Kentucky state police, and, any other state or federal regulatory agency. The purchaser of the property shall be given a document stating that the property had been forfeited pursuant to law and that a number, shown on the document, has been assigned which shall be deemed as compliance of the owner with KRS 514.120. When property is returned to an owner pursuant to this section and its identity has been obscured by another person in violation of KRS 514.120 the court shall provide a document to the owner relieving him of liability for its continued possession. This document shall serve as evidence of compliance with KRS 514.120 by the owner or any person to whom he lawfully disposes of the property. This section shall not apply to any person, after property has been sold or returned in compliance with this section who violates the provisions of KRS 514.120 with respect to that property.*

(7) Before forfeiture of any property under this section it shall be the duty of the trial court to determine if a lawful owner or claimant to the property has been identified or is identifiable. If a lawful owner or claimant has been identified or is identifiable the court shall notify the owner or claimant that the property is being held and specify a reasonable period of time during which the claim may be made, or may, in lieu thereof, order the return of the property to the lawful owner or claimant. If the lawful owner or claimant does not assert his claim to the property after notification or if he renounces his claim to the property, the property shall be disposed of as provided in this section. It shall be the duty of all peace officers and other public officers or officials having knowledge of the lawful owner or claimant of property subject to forfeiture to report the same to the trial court before the act of forfeiture occurs.

Section 2. KRS 514.010 is amended to read as follows:

The following definitions apply in this chapter unless the context otherwise requires:

(1) "Deprive" means:

(a) To withhold property of another permanently or for so extended a period as to appropriate a major portion of its economic value or with intent to restore only upon payment of reward or other compensation; or

(b) To dispose of the property so as to make it unlikely that the owner will recover it.

(2) "Financial institution" means a bank, insurance company, credit union, building and loan association, savings and loan association, investment trust or other organization held out to the public as a place of deposit of funds or medium of savings or collective investment.

(3) "Movable property" means property the location of which can be changed, including things growing on, affixed to, or found in land, and documents although the rights represented thereby have no physical location. "Immovable property" is all other property.

(4) "Obtain" means:

(a) In relation to property, to bring about a transfer or purported transfer from another person of a legal interest in the property, whether to the obtainer or another; or

(b) In relation to labor or service, to secure performance thereof.

(5) "Propelled vehicle" means any vehicle, including but not limited to motor vehicles, aircraft, boats, or construction machinery, which is propelled otherwise than by muscle power or which is readily capable of being towed otherwise than by muscle power.

(6)[(5)] "Property" means anything of value, including real estate, tangible and intangible personal property, contract rights, documents, choses-in-action and other interests in or claims to wealth, admission or transportation tickets, captured or domestic animals, food and drink.

(7)[(6)] "Property of another" includes property in which any person other than the actor has an interest which the actor is not privileged to infringe, regardless of the fact that the actor also has an interest in the property and regardless of the fact that the other person might be precluded from civil recovery because the property was used in an unlawful transaction or was subject to forfeiture as contraband. Property in possession of the actor shall not be deemed property of another who has only a security interest therein, even if legal title is in the creditor pursuant to a conditional sales contract or other security arrangement.

(8)[(7)] "Receiving" means acquiring possession, control or title or lending on the security of the property.

(9)[(8)] "Services" includes labor, professional service, transportation, telephone, electricity, gas, water or other public service, accommodation in hotels, restaurants or elsewhere, admission to exhibitions, use of vehicles or other movable property.

Section 3. KRS 514.020 is amended to read as follows:

(1) It is a defense to prosecution for theft that the actor:

(a) Was unaware that the property or service was that of another; or

(b) Acted under a claim of right to the property or service involved or a claim that he had a right to acquire or dispose of it as he did; or

(c) Took property exposed for sale, intending to purchase and pay for it promptly, or reasonably believing that the owner, if present, would have consented.

(2) It is no defense that theft was from the actor's spouse, except that misappropriation of household and personal effects or other property normally accessible to both spouses is theft only if it involves the property of the other spouse and only if it occurs after the parties have ceased living together.

(3) It shall be prima facie evidence of intent to commit theft by deception when one who has leased or rented the personal property of another fails to return the personal property to its owner within 10 days after the lease or rental agreement has expired. It shall also be prima facie evidence of intent to commit theft by deception when one presents to the owner identification which is false, fictitious or not current as to name, address, place of employment or other items of identification for the purpose of obtaining the lease or rental agreement. Nothing herein contained shall relieve the owner from making demand for return of property so leased or rented. Notice addressed and mailed to the lessee or renter at the address given at the time of the making of the lease or rental agreement shall constitute proper demand.

(4) Possession of property in violation of this chapter shall be prima facie evidence of the intent to deprive another of it within the meaning of KRS 514.010.

Section 4. KRS 514.100 is amended to read as follows:

(1) A person is guilty of the unauthorized use of an automobile or other propelled vehicle when he knowingly operates, exercises control over, or otherwise uses such vehicle without consent of the owner or person having legal possession thereof.

(2) Unauthorized use of automobiles or other propelled vehicle is a Class A misdemeanor *unless the defendant has previously been convicted of this offense, or of violation of KRS 514.030 for having stolen an automobile or other propelled vehicle in which case it shall be a Class D felony.*

Section 5. KRS 514.120 is amended to read as follows:

(1) A person is guilty of obscuring the identity of a machine or other property when he:

(a) Removes, defaces, covers, alters, destroys or otherwise obscures the manufacturer's serial number or any other distinguishing identification number or mark including property marked with a social security number or motor vehicle operator's license number for identification purposes upon any automobile or other propelled vehicle, machine, or electrical or mechanical device or other property *(including any part thereof)* with intent to render it *or other property* unidentifiable; or

(b) Possesses [for the purpose of sale in the course of business] any automobile or other propelled vehicle, machine, or electrical or mechanical device or other property *(including any part thereof)* knowing that the serial number or other identification number or mark including property marked with a social security number for identification purposes has been removed, defaced, covered, altered, destroyed or otherwise obscured.

(2) Possession of any automobile or other propelled vehicle, machine, or electrical or mechanical device or other property *(including any part thereof)* [held for sale in the course of business] on which the serial number or any other distinguishing identification number or mark including property marked with a social security number or motor vehicle operator's license number for identification purposes has been removed, defaced, covered, altered, destroyed or otherwise obscured is prima facie evidence of knowledge of that fact.

(3) *A person in possession of any property which is otherwise in violation of this section may apply in writing to the Kentucky state police, through any law enforcement agency in the county of his residence, for assignment of a number for the property providing he can show that he is the lawful owner of the property pursuant to the provisions of this Act. If a number is issued in conformity with the provisions of this Act then the person to whom it was issued and any person to whom the property is lawfully disposed of shall not be in violation of this Act. A person lawfully holding a certification issued pursuant to KRS 500.090 shall also be deemed in compliance with this section. This section shall apply only when the application has been filed by the defendant prior to arrest or authorization of a warrant of arrest for the defendant by a court.* [A report by the defendant to the police or other appropriate government agency prior to arrest or authorization of a warrant by a court is a defense to a charge of violating subsection (1)(b).]

(4) Obscuring the identity of a machine or other property is a Class A misdemeanor *unless the value of the property is one hundred dollars ($100) or more, in which case it is a Class D felony.*

SECTION 6. A NEW SECTION OF KRS CHAPTER 514 IS CREATED TO READ AS FOLLOWS:

(1) Upon the conviction of any person for the violation of any offense in this chapter all property held in violation of this chapter, and any personal property, including but not limited to vehicles or aircraft, used in the commission or furtherance of an offense under this chapter or in the transportation of stolen property shall be forfeited as provided in KRS 500.090 by court order and sold, destroyed or otherwise disposed of in accordance with KRS 500.090.

(2) Possession of a vehicle with a stolen major part or parts installed thereon shall be deemed to bring the entire vehicle within the provisions of subsection (1) of this section.

(3) For the purposes of this section a major part of an automobile or other propelled vehicle shall mean:

(a) The engine;
(b) The frame;
(c) The transmission;
(d) The front cap ("dog house");
(e) The front clip;
(f) The rear clip;
(g) The top clip;
(h) The cowl clip;
(i) A door;
(j) A truck bed;
(k) A truck cab; or
(l) A vehicle body shell.

(4) It shall be the duty of every peace officer to seize any property which is subject to forfeiture under this section.

SECTION 7. A NEW SECTION OF KRS CHAPTER 16 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky state police shall administer a program for the investigation of applications filed pursuant to Section 6 of this Act and the disposition of property pursuant to Section 1 of this Act.

(2) Upon a finding by the Kentucky state police or a local law enforcement agency assigned by the Kentucky state police to investigate an application filed pursuant to this Act that the property is lawfully owned by the applicant the Kentucky state police shall issue, or cause to be issued, in consultation with any state or federal regulatory agency, a suitable identification number to be affixed to the property together with a document stating the number so issued.

(3) Upon a finding by the Kentucky state police or a local law enforcement agency assigned by the Kentucky state police to investigate an application filed pursuant to this Act that the property is not lawfully owned by the applicant the Kentucky state police shall seize the property or cause it to be seized by the local agency and held for disposition by a court of competent jurisdiction.

(4) The Kentucky state police shall issue such regulations as are reasonably necessary to enforce the provisions of this section and Sections 1 and 6 of this Act.

SB 305, AN ACT relating to liens on fire insurance proceeds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

The interest of each person in the proceeds of any policy, except those on single family dwellings, issued by an insurer, as defined in KRS 304.1-040, providing fire insurance coverage for loss or damages caused by fire on an item of real estate, provided the amount of the proceeds for the loss payable under such policy is ten thousand dollars ($10,000) or more, shall be subject to any tax lien on such item of real estate continued in force pursuant to the provisions of KRS 134.420, and any such lien shall continue in force and apply equally to any fire insurance proceeds arising from a fire loss on such real estate. Any such lien may be discharged in the same manner as a lien filed pursuant to KRS 134.420.

SECTION 2. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) Prior to the payment of any insurance proceeds for loss or damage to real estate caused by fire, but within twenty (20) days of the filing of any notice of claim for fire insurance proceeds by an insured, provided the amount of the proceeds for the loss payable under the policy is ten thousand dollars ($10,000) or more, the insurer required to pay such proceeds shall notify the county clerk of the county in which such loss or damage has been sustained and demand in writing, by registered or certified mail, that a statement indicating the amount of all liens existing and referred to by this Act be delivered to such insurer at a specified address, in person or by registered or certified mail, within fifteen (15) days from the date of receipt by the county clerk of such demand. Upon the failure of the county clerk to notify the insurer of the existence of any such liens in said manner, the right of the state or the county, city or other taxing district to claim against any such proceeds shall terminate and the lien as to said proceeds shall no longer be effective. The insurer may rely conclusively upon the amount of the taxes due as set forth in such notice of lien in making any payments of proceeds to any person. The county clerk performing such service shall receive a fee of five dollars ($5) from the insurer.

(2) Within twenty (20) days of receipt of a notice of lien received from the county clerk pursuant to this Act and a final determination of the insurer's obligation to pay fire insurance proceeds, the insurer shall pay all or a portion of the proceeds otherwise payable to the insured directly to the state or the county, city or other taxing district in satisfaction of the total amount of delinquent real estate taxes or incurred demolition costs as set forth on the statement of lien and shall deduct the amount thereof from the proceeds otherwise payable to the insured. A receipt by the county clerk or taxing authority shall be evidence of payment of such amount by the insurer on account of its liability under its policy to the insured.

SECTION 3. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

The liens existing pursuant to this Act shall take precedence over any claim of right of an insured owner, mortgagee, assignee or other interested party except as otherwise provided by the laws of the United States.

SECTION 4. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

An insurer shall not be liable to any insured owner, mortgagee, assignee or other interested party for any amounts paid by it to the state or any county, city or other taxing district pursuant to the provisions of this Act and in reliance upon information contained in any statement provided by the state or any county, city or other taxing district pursuant to this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

This Act shall apply to all policies of fire insurance, excluding policies on single family dwellings, delivered, issued for delivery, or renewed after the effective date of this Act. Each insurer authorized to do business in this state shall notify its insureds of the provisions of this Act upon issuance or renewal of policies of fire insurance covering real estate located in this state.

SECTION 6. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

The provisions of the Act shall not be deemed or construed to alter or impair the right of the state or any county, city or other taxing district to acquire or enforce any lien against real property but shall be in addition to any other right provided by law to acquire or enforce such right.

The Committee Substitute to **SB 305** is as follows:

SB 305, AN ACT relating to liens on fire insurance proceeds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

The interest of each person in the proceeds of any policy, except those on single family dwellings, issued by an insurer, as defined in KRS 304.1-040, providing fire insurance coverage for loss or damages caused by fire on an item of real estate, provided the amount of the proceeds for the loss payable under such policy is ten thousand dollars ($10,000) or more, shall be subject to any tax lien on such item of real estate continued in force pursuant to the provisions of KRS 134.420, and any such lien shall continue in force and apply equally to any fire insurance proceeds arising from a fire loss on such real estate. Any such lien may be discharged in the same manner as a lien filed pursuant to KRS 134.420.

SECTION 2. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) Prior to the payment of any insurance proceeds for loss or damage to real estate caused by fire, but within twenty (20) days of the filing of any notice of claim for fire insurance proceeds by an insured, provided the amount of the proceeds for the loss payable under the policy is ten thousand dollars ($10,000) or more, the insurer required to pay such proceeds shall notify the county clerk of the county in which such loss or damage has been sustained and demand in writing, by registered or certified mail, that a statement indicating the amount of all liens existing and referred to by this Act be delivered to such insurer at a specified address, in person or by registered or certified mail, within fifteen (15) days from the date of receipt by the county clerk of such demand. Upon the failure of the county clerk to notify the insurer of the existence of any such liens in said manner, the right of the state or the county, city or other taxing district to claim against any such proceeds shall terminate and the lien as to said proceeds shall no longer be effective. The insurer may rely conclusively upon the amount of the taxes due as set forth in such notice of lien in making any payments of proceeds to any person. The county clerk performing such service shall receive a fee of five dollars ($5) from the insurer.

(2) Within twenty (20) days of receipt of a notice of lien received from the county clerk pursuant to this Act and a final determination of the insurer's obligation to pay fire insurance proceeds, the insurer shall pay all or a portion of the proceeds otherwise payable to the insured directly to the state or the county, city or other taxing district in satisfaction of the total amount of delinquent real estate taxes as set forth on the statement of lien and shall deduct the amount thereof from the proceeds otherwise payable to the insured. A receipt by the county clerk or taxing authority shall be evidence of payment of such amount by the insurer on account of its liability under its policy to the insured.

SECTION 3. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

The liens existing pursuant to this Act shall take precedence over any claim of right of an insured owner, mortgagee, assignee or other interested party except as otherwise provided by the laws of the United States.

SECTION 4. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

An insurer shall not be liable to any insured owner, mortgagee, assignee or other interested party for any amounts paid by it to the state or any county, city or other taxing district pursuant to the provisions of this Act and in reliance upon information contained in any statement provided by the state or any county, city or other taxing district pursuant to this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

This Act shall apply to all policies of fire insurance, excluding policies on single family dwellings, delivered, issued for delivery, or renewed after the effective date of this Act. Each insurer authorized to do business in this state shall notify its insureds of the provisions of this Act upon issuance or renewal of policies of fire insurance covering real estate located in this state.

SECTION 6. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

The provisions of the Act shall not be deemed or construed to alter or impair the right of the state or any county, city or other taxing district to acquire or enforce any lien against real property but shall be in addition to any other right provided by law to acquire or enforce such right.

The Committee on Appropriations and Revenue reported **HB 167,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules

The Committee Amendment No. 1 to **HB 167** is as follows:

Amend printed copy of **HB 167,** page 3, lines 15 through 17, by deleting the words "*, Section 162(a) of the Internal Revenue Code as it existed on December 31, 1977*" and by inserting in lieu thereof: "*, by subsections (a) and (b) of Section 604 of Public Law 94-455 as they existed on January 3, 1980, except that "taxable year" wherever it appears in such subsections shall mean the taxable year beginning January 1, 1980 and each taxable year thereafter,*".

The Committee on Appropriations and Revenue reported **SB 124, SB 287, SB 339** with Committee Amendment attached thereto, and **SB 258** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 124, AN ACT relating to income tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

The general assembly declares that it is the public policy of the Commonwealth of Kentucky to set aside and preserve, for the benefit of present and future generations, certain areas of unusual natural significance as laboratories for scientific research, as reservoirs of natural materials not all of the uses of which are now known, as habitats for plant and animal species and biotic communities, as living museums of the native landscape where people may observe nature's web of life and our natural heritage, as places of historic and natural interest and scenic beauty, and as reminders of the vital human dependence upon fresh air, clean water, and unspoiled natural areas. This Act is enacted to provide a means by which the protection of nongame species and the acquisition of land or interests in land and the protection, maintenance, and use of the land, may be financed in part through a voluntary check-off designation on state income tax return forms.

SECTION 2. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

Each taxpayer required to file a return pursuant to KRS 141.180 who is entitled to an income tax refund and who desires to contribute to the nongame species and habitat acquisition programs of the Commonwealth may designate as provided in this Act an amount, not to exceed the amount of the refund, to be made to such programs. In the case of a joint return, each spouse may also designate that a portion of the refund shall be paid to said programs. Such designation shall not increase or decrease the income tax liability of any taxpayer, but it shall reduce the income tax refund of such taxpayer or spouse by the amount or amounts designated.

SECTION 3. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

(1) The department of revenue shall print on the face of the Kentucky individual income tax form a space for a taxpayer to designate that a contribution be made to the nongame species protection and habitat acquisition programs from that taxpayer's income tax refund. The space for designating the contribution shall be in substantially the following form:

KENTUCKY NONGAME SPECIES PROTECTION AND HABITAT ACQUISITION PROGRAMS.
I wish to contribute
$1__________ $5__________ $10__________ $________________
of my TAX REFUND TO THE NONGAME SPECIES PROTECTION AND HABITAT ACQUISITION PROGRAMS.

(2) The department of revenue shall print in the instructions accompanying the individual income tax form a description of the purposes for which the nongame species and habitat acquisition programs were established and the use of monies from the income tax check-off.

SECTION 4. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

The commissioner of the department of revenue shall transfer fifty percent (50%) of the funds designated in Section 3 of this Act to the nongame fish and wildlife fund created by Section 5 of this Act and fifty percent (50%) to the Kentucky nature preserves fund created by KRS 146.520 and shall reduce the amount of the income tax refund by the amount designated.

SECTION 5. A NEW SECTION OF KRS CHAPTER 150 IS CREATED TO READ AS FOLLOWS:

(1) There is established a special fund to be known as the "nongame fish and wildlife fund" which shall be under the control of the department of fish and wildlife resources commission for the purpose of protecting and preserving nongame fish and wildlife and their habitat.

(2) The nongame fish and wildlife fund shall consist of all monies transferred to it under this Act, appropriations, donations, federal funds, other revenues designated for the fund from any source whatever, and all interest earned thereon.

(3) Monies contained in the nongame fish and wildlife fund shall be deemed a trust and agency account and shall not lapse and monies contained in the fund shall be continuously appropriated for the purposes specified in this section.

(4) The department of fish and wildlife resources commission shall have access to and control of the moneys held in the nongame fish and wildlife fund, but shall expend such monies only to protect and preserve nongame fish and wildlife and their habitat.

SECTION 6. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

The Kentucky nature preserves commission shall maintain a separate account showing all remittances to, and disbursements from, the Kentucky nature preserves fund made from contributions under this Act. Contributions remitted to the Kentucky nature preserves fund under this Act shall be disbursed by the Kentucky nature preserves commission for the acquisition of land or interests in land as provided in KRS 146.465 and for the protection, maintenance, and use of the land, and for no other purpose.

SECTION 7. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

The department of revenue shall promulgate such rules and regulations as may be necessary to effectively administer the provisions of this Act.

SECTION 8. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

In the event of the enactment by the General Assembly of an act authorizing the collection of the state individual income tax, levied under KRS Chapter 141, by the federal government, the provisions of this Act shall be void and shall stand repealed if the provisions of this Act prevent such collection.

Section 9. This Act shall apply to individual income tax return forms filed for taxable years beginning after December 31, 1979.

SB 287, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 134.590 is amended to read as follows:

(1) When it appears to the department of revenue that money has been paid into the state treasury for ad valorem taxes when no such taxes were in fact due, or for taxes of any kind paid under a statute held unconstitutional, the department of revenue shall refund the money, or cause it to be refunded, to the person who paid the same. This shall not authorize a refund to a person who has made payment of the tax due on any tract of land, unless the entire tax due the state on such land has been paid.

(2) No such refund shall be made unless application for same is made in each case within two (2) years from the time payment was made[, except where payment was made on or after January 1, 1966 in which case application may be made within four (4) years of the time of payment].

(3) When it has been determined that city, urban-county, county, school district or special district ad valorem taxes have been paid to a city, urban-county, county, school district or special district when, in fact, no taxes were due, or the amount paid was in excess of the amount finally determined to be due, such taxes shall be refunded to the person who paid the tax.

(4) Refunds of ad valorem taxes shall be authorized by the mayor or chief finance officer of any city or urban-county government for the city or urban-county government or for any special district for which the city or urban-county government is the levying authority; by the county judge/executive of any county for the county or special district for which the fiscal court is the levying authority; or by the chairman or finance officer of any district board of education.

(5) Upon proper authorization the sheriff or collector shall refund the taxes from current tax collections in his possession. If there are no such funds refund shall be made by the finance officer of the district.

The sheriff or collector shall receive credit for any refunds made by him on his next collection report to the district.

(6) No refund shall be made unless application is made in each case within two (2) years from the date payment was made. If the question of the amount of taxes due is in litigation, the application for refund must be made within two (2) years from the date the amount due is finally determined.

SB 339, AN ACT authorizing the payment of certain claims against the state which have been duly audited and approved according to law, and have not been paid because of the lapsing or insufficiency of former appropriations against which claims were chargeable.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is appropriated out of the general fund in the state treasury for the purpose of compensating persons and companies herein named for claims which have been duly audited and approved according to law, but which have not been paid because of lapsing or insufficiency of former appropriations against which said claims were chargeable, the sums hereinafter specified:

W. D. Gatchel and Sons, Inc. 720 E. Market Street Louisville, Kentucky 40202	$ 200.69
Szabo Food Services, Inc. 8583 Zionsville Road Indianapolis, Indiana 46268	10,200.04
P. I. Burks Company 842 South 7th Street Louisville, Kentucky 40203	825.66
Sherwin Williams Company Eastwood Shopping Center Versailles Road and Grandview Drive Frankfort, Kentucky 40601	230.80
Page Display 1105 Rehl Road Jeffersontown, Kentucky 40299	5,700.00
Hughes-Peters, Inc. 4865 Duck Creek Road Cincinnati, Ohio 45227	187.40
VWR Scientific, Inc. P.O. Box 855 Columbus, Ohio 43215	4,426.52
Jack Dayton and Son, Inc. 734 East Main Street Louisville, Kentucky 40202	283.67
B. G. Chemical 824 Broadway Bowling Green, Kentucky 42101	616.25
Campbell-Phillips Company P.O. Box 40006 1403 Versailles Road Lexington, Kentucky 40504	486.77

National Laboratories 4934 Lewis Avenue Toledo, Ohio 43612	396.00
Stewart Mechanical Enterprises, Inc. 757 Grade Lane Louisville, Kentucky 40213	625.17
The Kentucky Stone Company 400 Sherburn Lane Louisville, Kentucky 40207	206.58
Lexington Trophy Company 480-82 Southland Drive Lexington, Kentucky	311.32
Rental Uniform Service, Inc. P.O. Box 843 Somerset, Kentucky 42501	134.50
Jack Dayton & Son Shelby & Main Louisville, Kentucky 40202	207.38
Jack Dayton & Son Suite 208 1500 W. Main Street Lexington, Kentucky	122.35
Kern's Bakeries, Inc. Box 627 London, Kentucky 40741	517.96
Farmers Hardware Company Grayson, Kentucky 41143	239.98
Microbus Corporation 12420 Bloomfield Avenue Santa Fe Springs, California 90670	1,770.00
Xerox Corporation 1001 Linn Station Road Louisville, Kentucky 40223	482.97
Battery Distributing Company 1203 W. Main Street Louisville, Kentucky 40203	86.83
Carroll Murphy Plumbing and Heating 215 Cedar Street Lexington, Kentucky 40508	687.05
Leshore Calgift Corporation of Pennsylvania 1007 Capouse Avenue Scranton, Pennsylvania 18509	175.05
Robert N. McKinley, M.D. Glenview Drive Glasgow, Kentucky 42141	11.00

Air Filter Supply 3807 Bishop Lane Louisville, Kentucky 40232	109.21
Turner Brothers Disposal Service 309 E. Clay Street Clinton, Kentucky 42031	348.00
American Graphic Products P.O. Box 1084 Nashville, Tennessee 37202	6,832.40
Barnett & Alagia P.O. Box 1179 Louisville, Kentucky 40201	215.00
Edward M. Coleman 230 St. Clair Street Frankfort, Kentucky 40601	2,500.00
Lexington Fayette Urban County Government Department of Finance Division of Tax Collection The Municipal Building 136 Walnut Street Lexington, Kentucky 40507	450.08
Kentucky Medical Association 3532 Ephraim McDowell Drive Louisville, Kentucky 40205	1,831.11
Jean D. Farley 6000 Innes Trace Louisville, Kentucky	1,317.00
William L. Farmers, Sr. 539 Chinoe Road Lexington, Kentucky 40502	52.26
Bluegrass Rubber & Safety Supply, Inc. 716 National Avenue Lexington, Kentucky 40502	16,598.80
Xerox Corporation 10001 Lynn Station Road Louisville, Kentucky 40223	1,106.50
J. B. Johnson, Jr. Box 208 Williamsburg, Kentucky 40769	598.80
James E. Keller 3521 Birkenhead Court Lexington, Kentucky 40503	601.00
Harris S. Howard Box 590 Prestonsburg, Kentucky	137.14
Ronnie L. Galloway 627 West Main Street Louisville, Kentucky 40202	3,395.00

Yates Installation and Repair P.O. Box 172 Gilbertsville, Kentucky 42044	974.40
Lawrence W. Thompson 206 ½ South Third Street Richmond, Kentucky 40475	252.26
Syracuse University 805 South Crouse Avenue Syracuse, New York 13210	155.00
Donald H. Goble Box 52 Prestonsburg, Kentucky 41653	97.00
J. A. Kindel Company 2704 Colerain Avenue Cincinnati, Ohio 45225	359.54
Hardin-Graybill Printers, Inc. 700 West Second Street Owensboro, Kentucky 42301	1,872.00
Kentucky Office Forms 1919 Parkersmill Road Lexington, Kentucky 40504	9,522.05
Nuclear Engineering Company, Inc. P.O. Box 7246 Louisville, Kentucky 40207	12,926.34
Hazel Petrey Dizney, Willie B. Petrey & Mae Petry Treadway ℅ H.A. Dizney 206 Fourth Street Corbin, Kentucky 40701	29.58
Compu-Rite Ribbon Corporation 6010 Yolanda Avenue Tarzana, California	1,548.00
Internal Revenue Service P.O. Box 30177 Memphis, Tennessee 38130	55.49
Deaconess Hospital, Inc. P.O. Box 152; 600 Mary Street Evansville, Indiana 47701	1,354.80
Robert S. Manassee Avenue Louise 379 1050 Brussels, Belgium	20,095.63
Acme Visible Records, Inc. Crozet, Virginia 22932	163.25
William Munford Kentucky Fair & Exposition Center P.O. Box 21179 Louisville, Kentucky 40221	275.00

John P. & D. Stringer West 3rd Street Central City, Kentucky 42330	12.18
Russell & M. Compton Box 625 Hazard, Kentucky 41701	11.96
Kim Goldman 2203 Ardsley Road Louisville, Kentucky 40207	3.97
Edward A. Prewitt Route #5 Shelbyville, Kentucky 40065	1.52
Helaine S. Davis % David S. Davis, Attorney 429 Kentucky Home Life Building Louisville, Kentucky 40202	21.05
Kathryn G. Sebree 1729 S. Limestone St. Apartment #6 Lexington, Kentucky 40503	478.60
Howard B. & Virginia Smith Route #2 Houstonville, Kentucky 40437	52.47
Iris R. Barrett K.O.S.H. Review Commission 104 Bridge Street Frankfort, Kentucky 40601	101.52
Mary I. McCune 3528 Honey-Jay Court Lexington, Kentucky 40503	15.55
Kenneth H. & B. Durham 829 Evelyn Avenue Louisville, Kentucky 40215	63.75
E.F. Sanders 707 Bowling Street Russellville, Kentucky 42276	10.27
Larry N. Milby Route #2, Box 74 Magnolia, Kentucky 42757	2.25
Cynthia Campbell Box 334 Corbin, Kentucky 40701	7.89
Aaron S. & D. Proctor 7709 Sierra Trail Louisville, Kentucky 40214	16.61
Cunningham & Company 128 Main Street Springfield, Kentucky 40069	9.76

Mary P. Carey Route #1, Box 29 Eminence, Kentucky	8.68
Peter J. Wigginton 857 Brodbury Road Cincinnati, Ohio 45245	10.85
Reynolds & Reynolds Route #4 Cadiz, Kentucky 42211	27.51
E. L. & D. L. Peterson 1021 Chesley Drive Louisville, Kentucky 40219	62.51
Helen B. Thomas 303 Central Avenue Elizabethtown, Kentucky 42701	9.16
Gertrude M. Wagner 3301 Stratford Avenue Louisville, Kentucky 40218	40.93
Donnie H. & D. Smith Route #1, Box 120 Ransom, Kentucky 41558	21.62
Paul M. Gray P.O. Box 2572 West Durham Station Durham, North Carolina 27705	28.00
Lillie M. Wallace 119 Cottage Street Nicholasville, Kentucky 40356	82.87
Nannie Cooper Route #2 Lewisport, Kentucky 42351	80.58
Osie Hicks Blue River, Kentucky 41607	102.90
Maxine Barton 4400 McGill Drive Louisville, Kentucky 40215	11.71
Imogene M. Glass 1514 Edgewood Place Louisville, Kentucky 40205	961.74
Richmond Sign Company 205 Water Street Richmond, Kentucky 40475	54.00
Alma Alexander Lawrence Route #5 Cadiz, Kentucky 42211	21.45

Harold M. Rice King Addition Paintsville, Kentucky 41240	359.52
Samson K. Bridgers, Jr. F/S communications Corp. Suite 1 271 Gold Rush Drive Lexington, Kentucky 40503	74.00
James R. & M. Claxton 1124 Ojibwa Trail Frankfort, Kentucky 40601	16.00
Ernest E. Grenat 2228 #1 Liverpool Lane Louisville, Kentucky 42019	83.17
Mary Elizabeth Yoakum 451 Sheridan Drive Lexington, Kentucky 40503	35.80
Carol A. Gilpin 596 Bishop Drive Lexington, Kentucky	3.84
Heino Luts 213 Eastern Drive Richmond, Kentucky 40475	2.12
Norman Horn 1610 South Main Street Hopkinsville, Kentucky 42240	35.85
Robert D. Bridges 2222 Richland Drive Louisville, Kentucky 40218	1.87
Vernon Porterfield Route #2 Chambers Road Walton, Kentucky 41094	10.00
Linda J. Turner 214 E. Chester Avenue Middlesboro, Kentucky 40965	54.16
Ralph E. Johnson Box 556 Virgie, Kentucky 41572	7.40
Michelle M. Kappesse 308 Center Street Bellevue, Kentucky 41073	20.05
Alfred J. & E. Hoerth 2600 Napoleon Blvd. Louisville, Kentucky 40205	587.46
Barbara Hughes 210 Creekview Drive Mt. Juliet, Tennessee 37122	10.00

P. M. Keown 1210 Fox Hollow Court Bowling Green, Kentucky 42101	13.19
Martha H. Allen, Administratrix Estate of James R. Allen 573 Dover Road Lexington, Kentucky 40505	10.34
Virginia Lee Mills & Brenda J. Thompson Personal Representatives Estate of Clermont Carroll %Allyn & Givens, Attorneys 204 Main Street Mt. Vernon, Indiana 47620	39.91
Kenneth L. Braden & C. Thomas Young, Administrators Estate of Nonie Braden 142 E. Gillette Street Louisville, Kentucky 40214	14.75
Brenda Tingle Route 8, 35 Clearwater Frankfort, Kentucky 40601	49.69
Harry Armour Acy 1915 Roanoke Avenue Louisville, Kentucky 40205	258.00
Ben & S. Ginsburg 111 North 7th Street, Apartment #2 Ironton, Ohio 45638	21.33
Robert & L. Wilson 1013 Woodway Lane Louisville, Kentucky	172.57
Nancy T. Wright Estate of Jodie L. Rieman % Mitchell & Brown 126 Main Street Rising Sun, Indiana 47040	203.84
George E. & D. Y. Ray 2966 Cynthia Court Marietta, Georgia 30062	11.22
J. D. Cooksey 4715 South 6th Street Louisville, Kentucky 40214	.11
W. B. Sanders 237 North 7th Street Paducah, Kentucky 42001	45.00
G. W. Melvin P. O. Box 89 Bedford, Kentucky 40006	7,058.53

Mark Scarr 1630 Ashwood Drive Lexington, Kentucky 40502	4.40
P. N. Hirsch and Company 110 North Main Street Henderson, Kentucky 42420	83.62
Dames & Moore 1015 Richmond Road Lexington, Kentucky 40502	7,889.54
Care Chemical Corporation 5134 East 65th Street Indianapolis, Indiana 46620	18,106.75
Smithsonian Institution Washington, D. C.	29,910.00
George Brakemeier & Son 124 South First Street Louisville, Kentucky 40202	2,782.23
Stephanie Stewart Box 26 Brownsville, Kentucky 42210	1,000.00
Renco 106 East Main Street Frankfort, Kentucky	4,050.00
Bob Newman State Farm Insurance Burlington Road Burlington, Kentucky 41005	450.00
Susan Ratanaphruke 1715 Guilford College Road Jamestown, North Carolina 27282	22.37

Section 2. The department of finance and the state treasurer are authorized hereby to pay the following listed claims from the following funds:

(a) The Kentucky industries for the blind is authorized to pay the amount necessary from their trust and revolving fund account to the Kentucky employers retirement system for employer retirement costs for part-time employes for the period 1971 through 1979.

(b) The department of labor is authorized to pay certain claims from their agency fund account for physicians services required in the workmen's compensation special fund case determinations, the sums hereinafter specified:

Capital Surgical Clinic One Physicians Park Frankfort, Kentucky 40601	855.00
Dzenitis and Guarnaschelli, PSC 568 Medical Towers South Floyd and Gray Streets Louisville, Kentucky 40202	60.00

(c) The transportation department is authorized to make payment from the transportation fund for a state treasury check payable to the person or their personal representative but not presented for payment within a period of five (5) years from the date of issuance of such check, the sum hereinafter specified:

W. B. & Clara Hight % Franklin, Hobgood & Hibbs 475 S. Main Street P. O. Box 547 Madisonville, Kentucky 42431	$ 375.00

Section 3. The persons and companies named above having in good faith furnished the services, supplies, and materials enumerated in Section 1 of this Act, and the Commonwealth having received the benefits of same, an emergency is declared to exist and this Act shall take effect upon its passage and approval by the governor.

The Committee Amendment No. 1 to **SB 339** is as follows:

Amend printed copy of **SB 339,** page 12, between lines 22 and 23, by adding the following:

"(d) The University of Kentucky is directed to pay, out of funds appropriated to the university, a claim arising from a change in a printing contract the sum hereinafter specified:

The Winchester Sun 20 Wall Street P. O. Box 747 Winchester, Kentucky 40391	$4,600"

SB 258, AN ACT relating to property identification mapping.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 132.670 is amended to read as follows:

[Whenever a city or county by order of its legislative body petitions the department for a reappraisal of the properties therein and the department, after investigation, determines that a reappraisal is necessary, the department shall, according to the comparative need therefor, provide personnel and other assistance to aid the city assessor or property valuation administrator in accomplishing this result. The Department of Revenue shall prescribe methods and specifications for the reappraisal of property. Personnel authorized to assist in making a city or county reappraisal under this section may be given the same authority as a deputy property valuation administrator or deputy city assessor. Cities, counties, and other taxing districts may make appropriations from their general funds to share expenses incurred for such purposes by the department or for the purpose of employing other assistance in conducting such reappraisal projects.] The department of revenue shall prepare detailed maps identifying every parcel of real property within each county of the state by July 1, *1984* [1982]. Each county shall furnish to the department adequate facilities in the county courthouse in which to work. The Department of Revenue shall prescribe methods and specifications for the mapping of property. Personnel authorized to assist in making property identification maps under this section may be given the same authority as a deputy property valuation administrator. *In addition to the state allowance provided to the property valuation administrator's office by KRS 132.590(6), the department may allocate sufficient additional funds from the legislative appropriation for mapping projects to compensate the additional local personnel employed for the mapping project. Locally employed mapping project personnel shall be compensated in the same manner as deputies or assistants in the property valuation administrator's office.* [Cities, counties, and other taxing districts may make appropriations from their general funds to share expenses incurred for such purposes by the department or for the purpose of employing other assistance in conducting such mapping projects.]

Section 2. KRS 133.030 is amended to read as follows:

(1) The county board of assessment appeals shall convene at the county seat on the second Monday in June in each year; except that no meeting shall be held until the tax roll has been completed and the inspection period has been held as provided by law, or until revaluation of the property has been completed by the property valuation administrator at the direction of the department of revenue as provided by KRS 132.690 or by the department itself as provided by KRS 133.150. All records of the property valuation administrator, including all data concerning property sales within the preceding year, shall be available to the board while meeting.

(2) The first regular meeting day of the board shall be devoted to a review of the appeals filed with the county clerk as clerk of the board, including a review of recent sales of comparable properties provided

in accordance with the provisions of subsection (1) of this section, and an inspection of the properties involved in the appeals when in the opinion of the board such inspection will assist in the proper determination of fair cash value.

(3) The board of assessment appeals shall continue in session only such time as is necessary to hear appeals. The board shall not continue in session more than one (1) day if there are no appeals to be heard nor more than five (5) days after it convenes in each year, unless an extension of time is authorized by the department of revenue upon request of the county judge/executive. Each board member shall be paid not less than ten (10) nor more than twenty-five dollars ($25.00), *except for counties having a city of the first class where the amount shall not exceed forty-five dollars ($45)* for each day he serves, the amount to be fixed by order of the fiscal court annually prior to May 1. This compensation shall be paid one-half (½) out of the county levy and the other half out of the state treasury.

(4) Members of temporary panels of the board shall serve at the pleasure of the county judge/executive, Provided however, That their appointment shall be limited to the time necessary for hearing appeals but in no case more than five (5) days except upon approval of an extension of time by the department of revenue. Compensation of panel members shall be in the same manner and at the same rate as provided for members of the board.

Section 3. KRS 132.700, Appraisal manual revision, is repealed.

The Committee Amendment No. 1 to **SB 258** is as follows:

Amend printed copy of **SB 258,** page 4, line 1, by deleting the comma at the end of said line;

By deleting lines 2 and 3 in their entirety; and

By deleting the number "($45)" at the beginning of line 4.

The Committee on Health and Welfare reported **SB 193** with Committee Amendment attached thereto, **SB 214, SB 340,** and **HR 109** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 193, AN ACT relating to dental laboratories and dental technicians.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

This Act shall be known and may be cited as the "Kentucky Dental Technology Act of 1980."

SECTION 2. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Board" means the Kentucky board of dental technology.

(2) "Cast" means a reproduction or model of the patient's gums and remaining teeth formed by pouring casting material into the impression as a matrix.

(3) "Commercial dental laboratory" means any place where a person offers or undertakes to perform or accomplish dental laboratory technology, except the office of a licensed practicing dentist wherein such technology is performed solely for the benefit of the patients of that dentist.

(4) "Dental laboratory processor" means a person who works in a commercial dental laboratory under the direct supervision of a dental laboratory technician licensed under this Act.

(5) "Dental laboratory technician" means any individual who offers or undertakes to perform or accomplish dental laboratory technology.

(6) "Dental laboratory technology" means the manufacture, fabrication, processing, relining or repair of orthodontic appliances, prosthetic dental appliances, ceramic or plastic teeth encapments, dental inlays, dental bridges, and all other types of oral devices and restoration.

(7) "Impression" means a negative of the patient's teeth and gums and surrounding tissues suitable for use as a matrix to form a cast.

(8) "Written laboratory procedure work order" means a written instrument executed by a licensed dentist and directed to a commercial dental laboratory authorizing dental laboratory technology to be performed for such licensed dentist.

(9) "Work authorization" means a written instrument executed by the owner or operator of a dental laboratory that is duly authorized by prescription to perform dental laboratory technology, by which such

duly authorized dental laboratory subcontracts all or part of such dental laboratory technology to another dental laboratory.

SECTION 3. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

On and after October 1, 1980, it shall be unlawful for any commercial dental laboratory to exist, operate, advertise or do business in the Commonwealth of Kentucky without a certification issued by the board. It shall further be unlawful for any person to act as a dental laboratory technician, or to advertise, operate, do business or assume to act as such in the Commonwealth without a license issued under the provisions of this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) There is created a Kentucky board of dental technology. The board shall consist of five (5) members appointed by the governor to three (3) year terms, except that for initial appointments two (2) members shall be appointed for a term of one (1) year, two (2) members shall be appointed for a term of two (2) years and one (1) member shall be appointed for three (3) years.

(2) Board membership shall include one (1) member who is the owner of a certified commercial dental laboratory, one (1) member who is a licensed dental laboratory technician who is not the owner of a commercial dental laboratory, one (1) member who is a licensed dental laboratory technician who is also the owner of a certified commercial dental laboratory, one (1) member who is a licensed practicing dentist and one (1) member who is a citizen at large and not associated with or financially interested in the dental profession. Of the initial appointees to the board, the owner of the commercial dental laboratory need not be certified nor the dental laboratory technician licensed. Members to fill vacancies shall be appointed by the governor for the unexpired term.

(3) At no time shall there be more than three (3) members of the same political party on the board.

(4) Each member of the board shall receive the sum of twenty-five dollars ($25) per day as full compensation for each day actually spent on the work of the board and his actual and necessary expenses incurred in the performance of duties pertaining to his office.

(5) The board shall have full authority to employ, and discharge, a secretary and such other personnel as may be necessary to administer and enforce the provisions of this Act, and it shall outline the duties and fix the compensation of such persons, whose compensation shall be established within budgetary limits by the department of personnel. The board shall obtain office space, furniture, stationery and any other proper supplies and conveniences reasonably necessary to carry out the provisions of this Act.

(6) The board shall annually select from its members a chairman.

SECTION 5. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) All fees and charges collected by the board under the provisions of this Act shall be paid into the state treasury through the department of finance and shall be credited to an agency-fund account for the Kentucky board of dental technology under the provisions of KRS 45.140 and shall be withdrawn or expended as provided in that section. Any interest which accrues on the funds therein shall be credited to such account. The total expenses for all purposes and obligations of the board shall not exceed the total fees and charges imposed under the provisions of this Act and paid into the state treasury. The board shall be financially self-sustaining, and if funds permit, it may underwrite, within its financial limitations, educational programs for the enlightment and benefit of all licensees who have paid fees pursuant to this chapter. Nothing in this subsection shall preclude the board from seeking additional funding or grants from federal or private sources.

(2) The board shall annually publish a list of the names and addresses of all laboratories certified and technician licensed by it pursuant to this Act. This list shall also contain the names of all persons whose licenses have been suspended or revoked and of all dental laboratories whose certification has been suspended or revoked within the preceding year, as well as any other information relative to the enforcement of the provisions of this Act that the board may deem of interest to the public.

SECTION 6. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

In addition to the duties and powers set forth elsewhere in this Act, the board shall have powers:

(1) To classify commercial dental laboratories, dental laboratory technicians and dental laboratory technology into prosthodontic, orthodontic, full or complete denture, partial denture, crown and bridge, ceramics and such other classifications, areas, fields and specialties as the board may find to be conducive to implementing the provisions of this Act, and to advancing the science and art of dental laboratory technology furnished to licensed dentists.

(2) To describe the nature of service to be rendered by each classification of a commercial dental laboratory and dental laboratory technician and the areas, fields and specialties in dental laboratory technology.

(3) To study new and improved techniques in dental laboratory technology and generally to encourage the continuing improvement of the service of commercial dental laboratories to licensed dentists.

(4) To prescribe the form and content of written laboratory procedure work orders and work authorizations and the length of time, manner and place within which written laboratory work orders and work authorizations shall be maintained by dental laboratories.

(5) To visit the premises of any commercial dental laboratory at reasonable times and inspect any or all written laboratory procedure work orders and work authorizations and all dental laboratory technology performed or in the course of being performed by such commercial dental laboratory.

(6) To approve the establishment and maintenance of programs of apprenticeship and on-the-job training in dental laboratory technology.

(7) To adopt rules and regulations restricting advertising by commercial dental laboratories to that reasonably related to furnishing dental laboratory technology only to licensed dentists or other commercial dental laboratories.

(8) To make such rules and regulations and prescribe such restrictions and conditions, not inconsistent with law, as may be necessary to carry out the provisions of this Act.

(9) To establish educational and technical criteria under which a dental laboratory technician may apply for a license to execute the prior written laboratory procedure work order of any duly authorized dentist.

(10) To subpoena witnesses and records to appear and testify or furnish documentary evidence at any hearing conducted by it pursuant to this Act. If any person fails or refuses to testify or furnish documentary evidence at such hearing, the circuit court of the county in which the board is located, on application of the board, may compel obedience by proceedings for contempt as in the case of disobedience of a subpoena issued from the circuit court or a refusal to testify therein.

(11) To perform such other acts as may be necessary to carry out the intentions of this Act.

SECTION 7. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) The board shall conduct examinations for the testing of all applicants for licensing as dental laboratory technicians. The examination shall include written sections pertaining to applicable laws of the Commonwealth of Kentucky, rules and regulations of the board, dental sciences including dental material, occlusion, tooth morphology and oral anatomy, dental laboratory techniques and practices including the basic areas of dental laboratory technology, terminology and ethical standards of dental laboratory technicians and the dental laboratory industry. The examination shall further include practical, non-written testing in laboratory skills and techniques.

(2) The examination shall be conducted on such basis as the board may determine adequate to meet the public demand, but no less than twice annually.

SECTION 8. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) The examination shall be waived in the case of any such person timely and successfully applying under subsection (3) of this section. The examination, in the discretion of the board, may be waived in the case of a nonresident applicant furnishing satisfactory proof that he has passed an examination of equal or greater difficulty in becoming licensed by another state, or that he has otherwise acquired the skills and professionalism required for licensing pursuant to this Act. All other applicants shall be required to pass the examination as a prerequisite to licensing.

(2) An examination fee shall be collected in the amount of seventy-five dollars ($75) from each applicant taking the examination and from each nonresident applicant for whom the examination is waived.

(3) The provisions of subsections (1) and (2) of this section, pertaining to the discretion of the board in approving applications for certification or license shall not apply to persons operating a commercial dental laboratory or dental laboratory technician furnishing satisfactory proof to the board that he was duly registered with the Kentucky board of dentistry under the provisions of KRS 313.520 prior to the effective date of this Act. Such applicant shall file his application with the board no later than October 1, 1980 and said application and proof shall be accompanied by the appropriate certification or license fee as provided in Section 9 of this Act.

SECTION 9. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

The fee for any license or renewal thereof issued pursuant to this Act shall be from fifty dollars ($50.00) to one hundred dollars ($100.00). The fee for any certification or renewal thereof issued pursuant to this Act shall be from one hundred fifty dollars ($150) to two hundred fifty dollars ($250). An applicant for both license and certification or renewal of both thereof shall pay only the fee for certification.

SECTION 10. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) All applications for license or certification as a dental laboratory technician or to operate a commercial dental laboratory shall be made upon forms provided by the board and shall be signed and sworn

to by the applicant and filed with the board. At any time after the filing of the original application and during the term of any license or certification, the board may require from an applicant, licensee or holder of certification further written statements of fact to enable it to determine whether such original application should be granted or denied or such license or certification revoked.

(2)(a) If the board, upon consideration of such application, finds that the applicant meets the qualifications for license or certification set forth in this Act and is not within the provisions of subsection (2) of Section 12 of this Act, it shall grant such application.

(b) If the board, upon consideration of such application, finds that the applicant meets the qualifications for license or certification as set forth in this Act but may be denied a license pursuant to subsection (2) of Section 12 of this Act it shall determine whether the circumstances involved permit the issuance of a license or certification. The board shall then inform the applicant whether or not a license or certification will be issued. If the board for any reason is unable to make such finding, it shall deny the application and notify the applicant in writing of the grounds or reasons therefor and if the applicant shall request a hearing, such denial shall not become final until the applicant has been given a hearing as to why the application should be granted.

(3) Notwithstanding any other provisions of this Act, it shall not be required for issuance of any certification or license that the applicant therefor specialize in any specifically classified area of dental laboratory technology.

SECTION 11. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) The board shall issue a dental laboratory technician license to any person who:

(a) Has satisfactorily made application for and passed an examination prescribed by the board, except as otherwise provided in this Act;

(b) Is at least eighteen (18) years of age;

(c) Is a citizen of the United States or has filed for application for citizenship.

(2) The board shall issue a certification to any person to establish, conduct, maintain and operate or to continue to conduct, maintain or operate a commercial dental laboratory which, after application and after investigation by the board or agents under its authority, is found to be equipped and staffed to perform dental laboratory technology in all respects in full conformity with the requirements of this Act and all rules and regulations adopted pursuant thereto. However, no commercial dental laboratory shall be certified which does not employ or which is not managed by a licensed dental laboratory technician.

SECTION 12. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) The board may suspend or revoke the certification of any commercial dental laboratory or the license of any dental laboratory technician after due notice and hearing upon proof of fraud or deceit in obtaining the license or upon proof of any action or practice which the board deems harmful to the health and safety of the public.

(2) The board may refuse to issue or renew a commercial dental laboratory certification or dental laboratory technician license to any person who:

(a) Has been convicted of violating any laws of this or any other state, district or territory of the United States respecting the practice of dentistry or dental laboratory technology;

(b) Has forfeited collateral or pleaded guilty or no contest to any charge of violating any of the aforesaid laws;

(c) After due notice and hearing, has been found by the board or the Kentucky board of dentistry to have been engaged in the illegal practice of dentistry or dental laboratory technology;

(d) Has been convicted of a felony or crime involving moral turpitude;

(e) Refuses to comply with the requirements of this Act and the rules and regulations adopted thereunder.

SECTION 13. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) Any party aggrieved by the action of the board in refusing to grant a license or certification or in suspending or revoking a license or certification may, within ten (10) days after the entry of such order or refusal, revocation or suspension, file in the office of the clerk of the circuit court of the county in which the office of the board is located, an attested copy of the proceedings before the board, provided he shall first post a bond to secure the costs of the action in such sum as may be approved by the clerk of the circuit court, with good and solvent surety. The board shall be a necessary party to all such appeals. The circuit court clerk shall thereupon docket the case and shall immediately issue a summons for the board. No formal pleadings shall be required in such appeals but the case shall be set down by the court for as early a date as possible for a hearing, and after the hearing the court shall enter a judgment sustaining or setting aside the order of the board. Either party may appeal to the court of appeals from the judgment of the circuit court.

(2) Any commercial dental laboratory which has had its certification revoked or dental laboratory technician who has had his license revoked shall not be issued another certification or license for a period of five (5) years from the date of revocation.

SECTION 14. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) Every certification issued by the board to a commercial dental laboratory pursuant to the provisions of this Act shall expire on June 30 of each year, but shall be renewed annually by the board upon timely and proper application of the holder thereof and upon adequate showing that the applicant meets the requirements of this Act and the rules and regulations made thereunder.

(2) Every license issued by the board to a licensed dental laboratory technician pursuant to the provisions of this Act shall expire on June 30 of each year, but shall be renewed annually by the board upon timely and proper application of the holder thereof and upon adequate showing that the applicant meets the requirements of this Act and the rules and regulations made thereunder; and the board, by rule or regulation may, as a condition to renewal of a license previously granted, impose reasonable requirements that the applicant shall improve his training, knowledge and skills each year by attendance at clinics approved by the board, by studying approved textual material, or by any other method of continuing education reasonably designed for the advancement of the education and training of the applicant.

SECTION 15. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) Every commercial dental laboratory shall keep and maintain in good working order at all times such facilities and equipment as the board may prescribe from time to time as reasonably necessary to the adequate performance of the dental laboratory technology which such dental laboratory performs or offers to perform for licensed dentists or other laboratories.

(2) The board shall cause every commercial dental laboratory certified under the provisions of this Act to be periodically inspected to determine compliance with the provisions of this Act and the rules and regulations adopted thereunder.

SECTION 16. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) Every commercial dental laboratory certified under this Act shall maintain a definite place of business in the Commonwealth of Kentucky, except as hereinafter provided.

(2) Should the commercial dental laboratory be certified under this Act as a nonresident doing business within the Commonwealth of Kentucky, it shall not be necessary for it to maintain an active place of business within the Commonwealth of Kentucky, provided it maintains an active place of business in another state, the address of which is made of record with the board.

SECTION 17. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) It shall be unlawful for the owner or operator of a commercial dental laboratory or any person employed therein to perform dental laboratory technology or aid others to do so for any person other than a licensed dentist or for another certified commercial dental laboratory.

(2) It shall be unlawful for the owner or operator of a commercial dental laboratory to perform or allow the performance of dental laboratory technology for a licensed dentist without obtaining from the licensed dentist a written laboratory procedure work order executed in full conformity with the requirements set forth in this Act.

(3) It shall be unlawful for the owner or operator of a commercial dental laboratory to perform or allow the performance of dental laboratory technology for a licensed dentist without obtaining from the licensed dentist executing each written laboratory procedure work order such impressions or casts as may be needed to perform adequately the dental laboratory technology called for by each such written laboratory procedure work order.

(4) It shall be unlawful for the owner or operator of a commercial dental laboratory or any person employed therein to prepare or make impressions or otherwise perform any dental prosthetic function whatsoever in the oral cavity or to aid or assist any other person to do so.

(5) It shall be unlawful for the owner or operator of a commercial dental laboratory or any person employed therein to prepare or make casts except from impressions or other devices furnished by a licensed dentist and then only in the course of performing dental laboratory technology pursuant to written laboratory procedure work order or work authorization.

(6) It shall be unlawful for the owner or operator of a commercial dental laboratory to perform or allow the performance of dental laboratory technology for another dental laboratory without obtaining a work authorization from such other dental laboratory in content and form as required in this Act and such impressions or casts as may be necessary to perform adequately the dental laboratory technology called for in the work authorization.

(7) The provisions of this section shall not apply to the construction of specimens or other appliances for commercial dental laboratories, dentists, students, dental dealers or manufacturers when the same are to be used solely for educational training, technical or display purposes.

SECTION 18. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

All dental laboratory technology shall be performed by or under the supervision and direction of a licensed dental laboratory technician, and it shall be unlawful for any person other than a licensed dental laboratory technician to perform dental laboratory technology except under the supervision and direction of a licensed dental laboratory technician.

SECTION 19. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

(1) Nothing contained in this Act shall affect the power of municipalities to tax, license or regulate. The requirements of this Act shall be in addition to the requirements of any existing or future ordinances of any municipality.

(2) None of the provisions of this Act shall apply to dental laboratories and technicians whose sole function and purpose is for educational training at an accredited institution of learning or for purely research or display purposes.

SECTION 20. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

No person, owning or operating a commercial dental laboratory or acting as a dental laboratory technician, shall bring or maintain any action in the court of the Commonwealth for the collection of compensation for any professional services performed without first alleging and proving that he was in possession at the time the alleged cause of action arose of a valid certification or license issued by the board.

SECTION 21. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

Any person who violates any provisions of this Act or the rules or regulations issued thereunder shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500), or be imprisoned in the county jail for not more than ninety (90) days, or both so fined and imprisoned at the discretion of the jury. Such person may be enjoined from such violation by the circuit court of the county in which the violation occurred or in which the office of the board is located.

Section 22. The following KRS sections are repealed:

313.510 Dental laboratory advisory commission — Membership — Duties.
313.520 Annual registration of laboratories and technicians — Fees — Certificates of authority.
313.530 Operation without registration prohibited.

SECTION 23. A NEW SECTION OF KRS CHAPTER 313 IS CREATED TO READ AS FOLLOWS:

Section 21 of this Act shall become effective on October 1, 1980. All other sections shall become effective on the normal date of all other legislation enacted by the 1980 session of the General Assembly.

The Committee Amendment No. 1 to **SB 193** is as follows:

Amend printed copy of **SB 193,** page 1, line 4, after the number "1980." by inserting the following:

"The provisions of this Act shall not apply to licensed dentists, licensed dental hygienists or dental assistants when performing functions within their recognized scope of practice in the office of a licensed dentist for the benefit of the patients of that licensed dentist only."

SB 214, AN ACT relating to the treatment and rehabilitation of alcoholics and persons intoxicated or incapacitated by alcohol.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. The policy and purpose of this Act is to secure immediate treatment for persons appearing in a public place who are suffering from alcoholism, and is not intended to provide a defense in any form to a person who has committed a crime while using alcohol.

Section 2. KRS 222.011 is amended to read as follows:

In this chapter the following words shall, unless the context requires otherwise, have the following meanings:

(1) "Administrator" means the person, *or his designee,* in charge of the operation of a *treatment* facility *licensed by the department*[, or his designee].

(2) "Alcoholic" means a person suffering from alcoholism.

(3) "Alcoholism" means a medically diagnosable disease characterized by chronic, habitual or periodic consumption of alcoholic beverages resulting in the (a) substantial interference with an individual's social or economic functions in the community, or (b) the loss of powers of self-control with respect to the use of such beverages.

(4) "A person under the influence of drugs" means a person whose powers of self-control have been substantially impaired because of the use of a drug described in KRS chapters 217 and 218A or the federal controlled substances act of 1970, and regulations pursuant thereto.

(5) "Secretary" means the secretary for human resources.

(6) "Department" means the department for human resources.

(7) "Drug addict" means any person whose use of an addictive substance has produced a condition which requires ingestion or injection of the addictive substance, or both, as a means of preventing withdrawal symptoms and of maintaining the individual's state of function.

(8) "Drug dependent person" or "drug abuser" means any person who compulsively and habitually uses drugs to the extent that they injure his health and interfere with his social and economic functioning.

(9) "*Treatment* facility" means any public or private place, or portion thereof, *licensed by the department* providing services especially designed for the detoxification, treatment or rehabilitation of intoxicated persons or alcoholics.

(10) "Incapacitated *by alcohol*" means *that a person, as a result of the use of alcohol, is:*

(a) Unconscious or has his judgment otherwise so impaired that he is incapable of realizing and making a rational decision with respect to his need for treatment; and

(b) Demonstrates behavior giving reasonable cause to believe he may injure himself or others or cause property damage. [the condition of an intoxicated person who, by reason of the consumption of intoxicating liquor is:

(a) Unconscious,

(b) In need of medical attention,

(c) Likely to suffer or cause physical harm or damage property, or

(d) Disorderly.]

(11) "Independent physician" means a physician licensed to practice in Kentucky, other than one holding an office or appointment in any department, board or agency of the Commonwealth, or in any public facility.

(12) "Juvenile" means any person who is under the age of eighteen.

(13) "*Client* [Patient]" means any person admitted to a facility.

(14) "Treatment" means services and programs for the care and rehabilitation of *persons intoxicated or incapacitated by alcohol and services and programs for* [intoxicated persons and] alcoholics.

(15) "Intoxicated person" means a person whose mental or physical functioning is substantially impaired as a result of the use of alcohol.

(16) "Emergency service unit" means a treatment team that meets minimum standards established by the department and trained to give assistance in the streets and other public places to persons who are intoxicated or incapacitated by alcohol.

SECTION 3. A NEW SECTION OF KRS CHAPTER 222 IS CREATED TO READ AS FOLLOWS:

(1) Any intoxicated person or any alcoholic may apply for voluntary treatment directly to a treatment facility.

(2) Subject to rules adopted by the department, the administrator in charge of a treatment facility may determine who shall be admitted for treatment. If a person is refused admission to a treatment facility, the administrator, subject to rules adopted by the department, shall refer the person to another treatment facility for treatment if possible and appropriate.

(3) If a person receiving inpatient care leaves a treatment facility he shall be encouraged to consent to appropriate outpatient or intermediate treatment. If it appears to the administrator in charge of the treatment facility that the person is an alcoholic who needs further treatment, the department shall arrange for assistance in obtaining supportive services and residential facilities.

SECTION 4. A NEW SECTION OF KRS CHAPTER 222 IS CREATED TO READ AS FOLLOWS:

(1) Any intoxicated person may present himself voluntarily or be brought to a treatment facility for emergency treatment. A person who appears to be intoxicated in a public place and to be in need of help, if he consents to such help, may be assisted to his home, a treatment facility, by the police or the emergency service unit.

(2) A person who appears to be incapacitated by alcohol in a public place shall be escorted by the emergency service unit, or taken into protective custody by the police and forthwith brought to an appropriate treatment facility for treatment. The emergency service unit, in escorting an incapacitated person and in

taking him to a treatment facility, or the police in detaining such a person, shall make every reasonable effort to protect the health and safety of the incapacitated person. The escorting or detaining personnel may take reasonable precautions for their own personal protection. Protective custody under this section is not an arrest and no entry or other record shall be made to indicate that the person has been arrested or charged with an offense as defined in KRS 500.080(11). For purposes of this section a person may be taken to a place of detention and detained there only until he is no longer incapacitated, and only if no treatment facility for emergency treatment is available. If an incapacitated person, who has been detained for a period of eight (8) hours, is still apparently incapacitated, he shall be taken without delay, by the detaining personnel to a treatment facility for medical evaluation.

(3) A person who is no longer incapacitated after detention, and is not admitted to a treatment facility or referred to another facility, and who has no funds, may be taken to his home, if any. If he has no home, he may be assisted in obtaining shelter.

(4) If a client is admitted to a treatment facility pursuant to this section, his family shall be notified as promptly as possible unless the client requests otherwise.

(5) The police or members of the emergency service unit who act in good faith in compliance with the provisions of this section shall be deemed to be acting in the course of their official duties.

SECTION 5. A NEW SECTION OF KRS CHAPTER 222 IS CREATED TO READ AS FOLLOWS:

(1) An intoxicated person who presents a danger or threat of danger to self, family or others as a result of intoxication, or is incapacitated by alcohol may be admitted to a treatment facility for emergency treatment. For the purpose of this Act "danger" or "threat of danger to self, family or others" shall mean a threat of substantial physical harm upon self, family or others, including actions which deprive self, family or others of the basic means of survival including provision for reasonable shelter, food or clothing.

(2) An independent physician, spouse, guardian, or relative of an intoxicated person, or any responsible person may make a written application for admittance of an intoxicated person to a treatment facility for emergency treatment. The application for admittance shall state the specific facts to support the need for emergency treatment and shall be accompanied by an independent physician's statement certifying that he has examined the intoxicated person not less than two (2) days prior to the date of application for admittance to a treatment facility for emergency treatment. No physician employed by the admitting treatment facility or the department shall be eligible to be the certifying physican.

(3) Pursuant to the approval of the application for admittance to the treatment facility by the administrator of such facility, the person shall be brought to the facility by a peace officer, emergency service unit, the client's spouse, the client's guardian, or any other interested person including the client himself. The client shall be retained at the facility to which he was admitted, or transferred to another appropriate public or private treatment facility until discharged under subsection (5) of this section.

(4) The administrator of the treatment facility shall refuse an application if in his opinion the application and certificate fail to sustain the grounds for admittance.

(5) When on the advice of the medical staff the administrator determines that the grounds for admittance no longer exist, he shall discharge a person admitted under this section. No person admitted under this section shall be detained in any treatment facility for more than seventy-two (72) hours.

(6) A copy of the written application for admittance and of the independent physician's certificate, and a written explanation of the client's rights, including the right to counsel, shall be given to the person within twelve (12) hours after admittance by the administrator, who shall provide a reasonable opportunity for the person to obtain and consult counsel.

SECTION 6. A NEW SECTION OF KRS CHAPTER 222 IS CREATED TO READ AS FOLLOWS:

(1) The department or any city or county may establish emergency service units. Existing governmental personnel may be utilized for this purpose. Members of an emergency service unit shall be capable of providing first aid in emergency situations and shall transport intoxicated or incapacitated persons to their homes and to treatment facilities.

(2) The secretary shall adopt rules for the establishment, training, and conduct of emergency service units.

SECTION 7. A NEW SECTION OF KRS CHAPTER 222 IS CREATED TO READ AS FOLLOWS:

(1) No city, county or other political subdivision shall adopt or enforce any law, ordinance, resolution, or regulation having the force of law that creates an offense giving rise to a criminal or civil penalty or sanction for being a common drunkard or being found in a public place in an intoxicated condition due to alcohol.

(2) No city, county or other political subdivision shall interpret or apply any law of general application to circumvent the provisions of subsection (1) of this section.

Section 8. KRS 222.270 is amended to read as follows:

(1) The administrator of each *treatment* facility shall keep a record of the treatment afforded each *client* [patient], which shall be confidential and shall be made available only upon proper judicial order, whether in connection with pending judicial proceedings or otherwise.

(2) Any *client* [patient] shall have the right to have a physician retained by him examine him, consult privately with his attorney, receive visitors, and send and receive communications by mail, telephone and telegraph. Such communications shall not be censored or read without consent of such *client* [patient]. The foregoing shall not limit the right of the administrator, subject to reasonable rules and regulations of the department, to prescribe reasonable rules governing visiting hours and the use of telephone and telegraph facilities.

Section 9. KRS 244.020 is amended to read as follows:

(1) No person shall drink any alcoholic beverage in any public place, in or upon any passenger coach, streetcar or other vehicle commonly used for the transportation of passengers, or in or about any depot, platform or waiting room.

(2) *A person intoxicated or incapacitated by alcohol in a public place shall be treated as provided in Section 4 of this Act* [No person shall be under the influence of alcoholic beverages on any public or private road, in any passenger coach, street-car, or other public place or building or at any public gathering].

Section 10. KRS 244.990 is amended to read as follows:

(1) Any person who, by himself or acting through another, directly or indirectly, violates any of the provisions of this chapter for which no other penalty is provided, except KRS 244.380 to 244.470, shall, for the first offense, be fined not less than one hundred (100) nor more than two hundred dollars ($200) or imprisoned in the county jail or workhouse for not more than six (6) months, or both; and for the second and each subsequent violation, he shall be fined not less than two hundred dollars ($200) nor more than five hundred dollars ($500) or imprisoned in the county jail or workhouse for not more than six (6) months, or both. The penalties provided for in this subsection shall be in addition to the revocation of the offender's license. If the offender is a corporation, joint stock company, association or fiduciary, the principal officer or officers responsible for the violation may be imprisoned.

(2) Any person who violates KRS 244.020*(1)* shall be fined not less than ten (10) nor more than one hundred dollars ($100) or imprisoned not less than five (5) nor more than thirty (30) days, or both.

(3) Any person who violates KRS 244.170 shall, upon the first conviction, be fined not less than fifty dollars ($50) nor more than five hundred dollars ($500) and may in addition be imprisoned in the county jail for not more than six (6) months. Upon a second conviction he shall be imprisoned in the penitentiary for not less than one (1) year, nor more than five (5) years. Upon the third and each subsequent conviction, he shall be imprisoned in the penitentiary for not less than five (5) nor more than ten (10) years. Upon the second or any subsequent conviction of a corporation for a violation of KRS 244.170, it shall be fined not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000).

(4) Any person who violates any of the provisions of KRS 244.480 to 244.600 shall be fined not less than fifty dollars ($50) nor more than five hundred dollars ($500).

(5) Any person, firm or corporation violating any provision of KRS 244.083 and 244.085 shall be fined not less than ten dollars ($10.00) nor more than a hundred dollars ($100) and each violation shall constitute a separate offense.

(6) Any person who violates the provisions of subsection (5) of KRS 244.085 shall, for the first offense, be fined not less than $50 nor more than $500 and for each subsequent offense shall be fined not less than $200 nor more than $2,000.

Section 11. KRS 525.100 is amended to read as follows:

(1) A person is guilty of public intoxication when he appears in a public place manifestly under the influence of [alcohol, or] a controlled substance, *as defined in KRS Chapter 218A* [or other intoxicating substance,] not therapeutically administered, to the degree that he may endanger himself or other persons or property, or unreasonably annoy persons in his vicinity.

(2) Public intoxication is a Class B misdemeanor.

Section 12. KRS 222.210 is amended to read as follows:

The department shall coordinate matters affecting alcoholism in the Commonwealth, shall establish and conduct a program for the treatment of intoxicated persons and alcoholics, including juveniles and young adults, their rehabilitation and the prevention of alcoholism in cooperation with public and private agencies, business and industry, and shall provide technical assistance and consultation services whenever required. The department may adopt rules and regulations to carry out its powers and duties under this chapter. The department shall be responsible for assuring that the following services are available and shall utilize community mental health centers and existing facilities and services available within the private sector whenever possible:

(1) Detoxification services on a twenty-four hour basis in or near population centers which meet the immediate medical and physical needs of intoxicated persons, including necessary diagnostic and referral services;

(2) Medical and hospital services which are available on a twenty-four hour basis and which, whenever possible, are provided in existing general hospital facilities;

(3) Rehabilitation services, including family care, residential aftercare and appropriate therapy;

(4) Inpatient psychiatric services for those alcoholics whose diagnosis reflects serious alcoholic-related mental disturbances which, whenever possible, shall be conducted with services available in the department; and

(5) Training programs for professional and nonprofessional workers in the field of treatment and rehabilitation of alcoholics and intoxicated persons.

The department shall not grant its approval for the establishment or maintenance of a *treatment* facility, [pursuant to KRS 222.240,] in any jail, house of correction or institution operated by the bureau of corrections, unless such facility meets the standards and procedures set forth in *this Act* [KRS 222.240].

Section 13. KRS 222.240, Admissions to treatment facility; 222.260, Provisions as to juvenile patients, are repealed.

Section 14. This Act shall become effective July 1, 1982.

SB 340, AN ACT relating to the establishment of certificate of need, licensing and regulation of health facilities and health services.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 216B IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

The general assembly finds that the licensure of health facilities and health services is a means to insure that the citizens of this Commonwealth will have safe, adequate and efficient medical care; that the proliferation of unnecessary health care facilities, health services and major medical equipment results in costly duplication and underuse of such facilities, services and equipment; and that such proliferation increases the cost of quality health care within the Commonwealth. The general assembly further finds that a certificate of need law is required under the provisions of the national health planning resource development act of 1974, P.L. 93-641 as amended, as a condition for the receipt of federal funds. Therefore, it is the purpose of this chapter to provide for the establishment of the Kentucky health facilities and health services certificate of need and licensure board for the specific purpose of licensing health facilities and services, and to review and approve applications for certificates of need.

SECTION 2. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Except as otherwise provided, for purposes of this chapter, the following definitions shall apply:

(1) "Administrative regulation" means a regulation adopted and promulgated pursuant to the procedures in KRS Chapter 13.

(2) "Applicant" means any person, group, health facility, or health service requesting a certificate of need or license for a health facility.

(3) "Board" means the Kentucky health facilities and health services certificate of need and licensure board.

(4) "Capital expenditure" means an expenditure made by or on behalf of a health care facility which:

(a) Under generally accepted accounting principles is not properly chargeable as an expense of operation and maintenance; or

(b) Is made to obtain by lease or comparable arrangement any facility or part thereof or any equipment for a facility or part thereof; and

(c) Exceeds the expenditure minimum, substantially changes the bed capacity of the facility with respect to which the expenditure is made, or substantially changes the health services offered in or through such health facility.

(d) For purposes of this paragraph, the term "expenditure minimum" means one hundred fifty thousand dollars ($150,000) for the twelve (12) month period beginning with the month in which this paragraph is enacted and for each twelve (12) month period thereafter. In determining whether an expenditure exceeds the expenditure minimum, the cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the improvement, expansion, or replacement of any plant or any equipment with respect to which the expenditure is made shall be included. Donations of equipment or facilities to a health facility which if acquired directly by such facility would be subject to review under this chapter shall be considered a capital expenditure, and a transfer of the equipment or facilities for less than fair market value shall be considered a capital expenditure if a transfer of the equipment or facilities at fair market value would be subject to review.

(5) "Certificate of need" means an authorization by the board to proceed with any acquisition, initiation, construction or expansion covered by this chapter.

(6) "Department" means the department for human resources acting under its designation as the state health planning and development agency under the federal act.

(7) "Federal act" means the national health planning resources development act of 1974, P.L. 93-641, as amended.

(8) "Health facility" means any institution, place, building, or agency or portion thereof, public or private, whether organized for profit or not, used, operated or designed to provide medical diagnosis, treatment, nursing, rehabilitative or preventive care to any person or persons. This shall include, but shall not be limited to health facilities and health services commonly referred to as hospitals, psychiatric hospitals, tuberculosis hospitals, skilled nursing facilities, nursing homes, personal care homes, intermediate care facilities, family care homes, outpatient clinics, ambulatory care facilities, emergency care centers and services, community mental health and mental retardation centers, home health agencies, kidney disease treatment centers and free standing hemodialysis units, health care services and facilities as specified by P.L. 93-641 and subsequent amendments, health maintenance organizations, and others providing similarly organized services regardless of nomenclature.

(9) "Health maintenance organization" means a public or private organization, organized under KRS 304.38-010 to 304.38-200, which:

(a) Is a qualified health maintenance organization under the federal act; or

(b) 1. Provides or otherwise makes available to enrolled participants health care services, including at least the following basic health care services: usual physician services, hospitalization, laboratory, x-ray, emergency and preventive services, and out of area coverage;

2. Is compensated (except for co-payments) for the provision of the basic health care services listed in subsection 1 of this section to enrolled participants by a payment which is paid on a periodic basis without regard to the date the health care services are provided and which is fixed without regard to the frequency, extent, or kind of health service actually provided; and

3. Provides physicians' services primarily;

(a) Directly through physicians who are either employes or partners of such organization; or

(b) Through arrangements with individual physicians or one (1) or more groups of physicians (organized on a group practice or individual practice basis).

(10) "Health service area" means an area designated pursuant to section 1511 of the federal act.

(11) "Health services" means clinically related services provided within the Commonwealth to two (2) or more persons, including but not limited to diagnostic, treatment, or rehabilitative services, and includes alcohol, drug abuse, and mental health services.

(12) "Institutional health services" means health services which:

(a) Are provided in or through a health facility; and

(b) Entail annual operating costs of at least the expenditure minimum. For purpose of this paragraph, the term "expenditure minimum"means seventy-five thousand dollars ($75,000) for the twelve (12) month period beginning with the month in which this paragraph is enacted, and each twelve (12) month period thereafter.

(13) "Major medical equipment" means equipment which is used for the provision of medical and other health services and which costs in excess of one hundred fifty thousand dollars ($150,000) except that such term does not include medical equipment acquired by or on behalf of a clinical laboratory to provide a clinical laboratory services if the clinical laboratory is independent of a physician's office and a hospital and it has been determined under title XVIII of the social security act to meet the requirements of paragraphs (10) and (11) of section 1861(s) of such act. In determining whether medical equipment has a value in excess of one hundred fifty thousand dollars ($150,000), the value of studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition of such equipment shall be included.

(14) "New institutional health service" means a proposed institutional health service which involves:

(a) The construction, development or establishment of a new health facility;

(b) Any expenditure by or on behalf of a health facility in excess of one hundred fifty thousand dollars ($150,000) or more which, under generally accepted accounting principles consistently applied, is a capital expenditure;

(c) A substantial change in bed capacity; or

(d) A substantial change in a health service.

(15) "Substantial change in a health service" means a definition adopted by administrative regulation promulgated under this chapter.

(16) "Person" means an individual, a trust or estate, a partnership, a corporation (including associations, joint stock companies and insurance companies), a state or political subdivision or instrumentality (including a municipal corporation) of a state.

(17) "State health plan" means the document duly adopted by the statewide health coordinating council in accordance with P.L. 93-641 and subsequent amendments.

(18) "Statewide health coordinating council" means the health planning council established by this chapter to comply with the federal act.

(19) "Substantial change in bed capacity" means the addition, reduction, relocation or redistribution of beds within a health care facility; but this shall not be construed to prevent the redistribution, by categories of services of beds in an acute care hospital if the redistribution does not exceed ten percent (10%) of the bed capacity of the acute care hospital or ten (10) beds, whichever is less, over any two (2) year period.

(20) "To acquire" means the transfer by purchase, lease or other comparable arrangements of the controlling interest of a capital asset or capital stock, or voting rights of a corporation, from one person to another. Such a transfer is deemed to occur when fifty percent (50%) or more of an existing capital asset or capital stock or voting rights of a corporation is purchased, leased or acquired by comparable arrangement by one person from another person.

(21) "To obligate" means to enter any enforceable contract for the construction, acquisition, lease, or financing of a capital asset. A contract shall be considered enforceable when all contingencies and conditions in such contract have been met. An option to purchase or lease which is not binding, shall not be considered an enforceable contract.

(22) "To offer" means, when used in connection with health services, that the health care facility or health maintenance organization holds itself out as capable of providing, or as having the means for the provision of, specified health services.

SECTION 3. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) Nothing in this chapter shall be construed to authorize the licensure, supervision, regulation or control in any manner of:

(a) Private offices and clinics of physicians, dentists, and other practitioners of the healing arts.

(b) Office buildings built by or on behalf of a health facility for the exclusive use of physicians, dentists and other practitioners of the healing arts, provided that no capital expenditure or expenses relating to any such building shall be chargeable to or reimbursable as a cost for providing inpatient services offered by a health facility.

(c) Dispensaries and first-aid stations located within business or industrial establishments maintained solely for the use of employes, provided that such facility does not contain inpatient or resident beds for patients or employes who generally remain in the facility for more than twenty-four (24) hours.

(d) Establishments, such as motels, hotels and boarding houses which provide domiciliary and auxiliary commercial services, but do not provide medical, nursing personnel and health related services, including, but not limited to, boarding houses which are operated by persons contracting with the United States veterans administration for boarding services.

(e) The remedial care or treatment of residents or patients in any home or institution conducted only for those who rely solely upon treatment by prayer or spiritual means in accordance with the creed or tenets of any recognized church or religious denomination.

(f) In counties containing cities of the first class, on-duty police and fire department personnel assisting in emergency situations by providing first-aid or transportation when regular emergency units licensed to provide first-aid or transportation are unable to arrive at the scene of an emergency situation within a reasonable time.

(2) The provisions of this chapter shall not apply to ambulances, ambulance service, or the providing thereof when a county, through appropriate action of the fiscal court, has elected not to be covered by the provisions of this chapter. If a county elects not to be covered by the provisions of this chapter:

(a) No ambulance or ambulance service based in that county shall be regulated pursuant to this chapter, regardless of where the ambulances may travel in the Commonwealth;

(b) Ambulance services presently licensed, holding certificates of need, or applying for same based in that county shall continue to be regulated by the board only if such is desired by the licensee or applicant, otherwise they shall cease to be regulated by the board as of the date the election is made by the county; and

(c) No punitive or other adverse action shall be taken by the board or any other agency of state government against any licensee, holder of a certificate of need, applicant for same, or ambulance service because the county in which it is based has elected not to be covered by the provisions of this chapter.

(3) Nothing in this section shall prevent:

(a) An ambulance operator from voluntarily seeking a license pursuant to the provisions of this chapter or being licensed or granted a certificate of need; or

(b) A county from withdrawing its election not to be covered by this chapter; or

(c) A county from reinstating its election not to be covered by this chapter.

SECTION 4. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created the Kentucky health facilities and health services certificate of need and licensure board consisting of sixteen (16) members, to be appointed by the governor, for the purpose of carrying out the duties prescribed in this chapter. The board shall be appointed as follows: two (2) members from the Kentucky hospital association, two (2) members from the Kentucky medical association, two (2) members from the Kentucky association of health care facilities, one (1) member from the Kentucky nurses association, one (1) member from the Kentucky dental association, one (1) member from the Kentucky pharmaceutical association, and four (4) members who are consumers with an interest in education, rehabilitation, mental health, home care programs, or ambulatory care services and three (3) members who are consumers not associated with any health facilities or delivery of health services. The aforesaid associations shall nominate three (3) persons for each appointment to be made. The statewide health coordinating council shall nominate three (3) persons for each of the consumer positions. The governor shall appoint a chairman from the consumer members of the board. Members of the board shall serve for a term of four (4) years, except that the first appointments shall be made as follows: four (4) for a term of one (1) year; four (4) for a term of two (2) years; four (4) for a term of three (3) years; and four (4) for a term of four (4) years. In the event of a vacancy the person appointed shall serve only for the remaining portion of the vacated term. All members shall serve until such time as their successors are qualified and appointed.

(2) Board members shall receive fifty dollars ($50) per day for each day spent in active board duty and shall be reimbursed for allowable expenses for each day spent in active board duty.

(3) No person shall serve as a member of the board if he concurrently is a member of the board of a health systems agency or a member of the statewide health coordinating council.

(4) A majority of the board members shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the board. No vacancy in the board shall impair the right of the remaining members to exercise all of the powers of the board.

(5) No member of the board may, in the exercise of any function described in this chapter, vote on any matter before the board respecting any applicant, licensee or holder of a certificate of need with which such member has or, within the twelve (12) months preceding the vote, had any substantial ownership, employment, medical staff, fiduciary, contractual, creditor, or consultative relationship. A member who has or has had such a relationship with the applicant, licensee or holder of a certificate of need involved in a matter before the board shall make a written disclosure of the relationship before any action is taken by the board, and such disclosure shall become part of the record of the proceeding.

SECTION 5. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) The principal office of the board shall be located at the state capital, and it shall be kept open during the usual business hours.

(2) The board shall hold meetings at its principal office and at such other convenient places in the Commonwealth as are expedient or necessary for the proper performance of its duties.

SECTION 6. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) The secretary of the department for human resources shall serve in an advisory capacity to the board and shall provide the board such administrative staff assistance as may be required by the board to carry out its duties and functions under the provisions of this chapter.

(2) The secretary of the department for human resources shall appoint an executive director. The executive director shall keep a full and true record of all the proceedings of the board, of all books and papers ordered filed by the board, and of all licenses, exemptions, and certificates of need issued by the board, and shall be responsible to it for the safe custody and preservation of all such documents in its office. Under the direction of the board, the executive director shall have general charge of its office, superintend its clerical business and perform such other duties as the board prescribes. He may administer oaths in all parts of the state, where the exercise of that power is properly incidental to the performance of his duties of those of the board.

SECTION 7. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) The board shall have three separate and distinct functions:

(a) To issue, deny and withdraw certificates of need in accordance with the provisions of this chapter, the federal act and regulations promulgated pursuant thereto;

(b) To issue, deny, revoke, modify, suspend or probate licenses, and to inspect health facilities and health services; and

(c) To enforce, through legal actions on its own motion, the provisions of this chapter.

(2) The board shall have the authority to:

(a) Issue administrative regulations through the secretary of the department for human resources;

(b) Authorize its agents or representatives to enter upon the premises of any health facility for the purpose of inspection, and under such conditions as are set forth in administrative regulations promulgated by the board;

(c) Administer oaths, issue subpoenas, subpoenas duces tecum, and all necessary process in proceedings brought before or initiated by the board, and such process shall extend to all parts of the Commonwealth. Service of process in all proceedings brought before or initiated by the board may be made by registered mail, or in the same manner as other process in civil cases, as the board directs;

(d) Establish by administrative regulation and collect reasonable application fees for certificates of need and licenses;

(e) Appoint technical advisory committees as are deemed necessary to administer the provisions of this chapter; and

(f) Notwithstanding the provisions of this chapter, to adopt and promulgate through the secretary of the department for human resources administrative regulations which will insure continued compliance with the minimum requirements set forth under the federal act and the regulations promulgated pursuant to the federal act.

SECTION 8. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Every order, decision, finding, license or certificate issued or approved by the board under any of the provisions of this chapter shall be in writing and shall be entered on the records of the board. A certificate under the seal of the board that any such order, decision, finding, or certificate has not been probated, suspended, modified, revoked, vacated or set aside shall be received in any proceeding as evidence of the facts stated therein.

SECTION 9. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

The board may compel obedience to its lawful orders by mandamus, injunction or other proper proceedings in the Franklin circuit court or any other circuit court of competent jurisdiction. Every order entered by the board shall continue in force until the expiration of the time, if any, named by the board in the order, or until revoked or modified by the board.

SECTION 10. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Notice of decisions and orders made by the board under the provisions of this chapter shall be made by certified mail addressed to the last known address on file with the board, or by personal service.

SECTION 11. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

No person shall acquire major medical equipment; offer a new institutional health service; or make a substantial expenditure in preparation for the acquisition of such equipment or the offering of such service; or make or obligate a capital expenditure without first obtaining a certificate of need for such equipment, service or expenditure from the board.

SECTION 12. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) Before any person enters into a contractual agreement to acquire an existing health care facility or major medical equipment which arrangements will require the obligation of a capital expenditure, such person shall notify the board of the person's intent to acquire such a facility or major medical equipment and of the services to be offered in the facility and its bed capacity or the use of such medical equipment. Such notice shall be in writing and shall be made at least thirty (30) days prior to any contractual arrangements to acquire the facility or major medical equipment with respect to which the notice was given.

(2) A certificate of need shall be required for the acquisition of a health care facility or major medical equipment, only if:

(a) The notice required in this section, is not filed; or

(b) The board finds within thirty (30) days after the date it received a notice in accordance with subsection (1) of this section with respect to such acquisition, that the health services or bed capacity of the health care facility will be substantially changed in being acquired, or in the case of major medical equipment, such equipment will be used to provide services for inpatients of a health facility.

(3) Donations and leases of major medical equipment and health care facilities shall be considered acquisitions of such equipment and facilities, and an acquisition of medical equipment for less than fair market value shall be considered an acquisition of major medical equipment if its fair market value exceeds the expenditure minimum.

SECTION 13. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

A certificate of need shall not be required of a health maintenance organization for the offering of an inpatient institutional health service, or the acquisition of major medical equipment for the provision of a new institutional health service, or the obligation of capital expenditures for the provision of an institutional health service except as may be allowed by the federal act or the regulations issued pursuant to the federal act. A health maintenance organization shall file an application for an exemption with the board pursuant to administrative regulations promulgated by the board.

SECTION 14. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

The board shall, within ninety (90) days, following the date this chapter becomes effective, promulgate administrative regulations respecting application and review procedures consistent with the federal act and regulations promulgated thereunder.

SECTION 15. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

The board shall, by administrative regulation, establish criteria for the issuance or denial of certificates of need and for the allowance or disallowance of exemptions. Criteria adopted shall reflect only those guidelines as set forth under the federal act and regulations promulgated thereunder.

SECTION 16. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) Any time within thirty (30) days of the date the review commences, any person directly affected by the review or any applicant seeking an exemption pursuant to this chapter, may request a public hearing. Hearings shall be before a quorum of the board, or at the request of the chairman, before a hearing officer designated by the secretary of the department for human resources, and shall be in addition to any hearing which may have been conducted before the health systems agency. The hearing officer shall be authorized to administer oaths, issue subpoenas, subpoenas duces tecum, and all necessary process in such proceedings. For purposes of this section, "persons directly affected" include, at a minimum, the applicant whose proposal is being reviewed, a third party payor, the health systems agency for the area within which the proposed project is to be located, health care facilities and health maintenance organizations located in the health service area within which the proposed project is to be located and members of the public who are to be served by the proposed project.

(2) In the event a hearing is requested, the executive director shall set a date, time and place for a public hearing. Reasonable notice of such hearing shall be given to all affected persons in accordance with administrative regulations promulgated by the board.

(3) At the hearing, any person shall have the right to be represented by counsel and to present oral or written arguments and evidence relevant to the matter which is the subject of the hearing; any person directly affected may conduct reasonable cross examination under oath of persons who make factual allegations relevant to such matters. A full and complete record shall be maintained of the hearing, and all testimony shall be reported but need not be transcribed unless the board's decision is appealed pursuant to this chapter.

(4) Any person directly affected who appears on record at the hearing or, in the absence of a hearing, any person directly affected who submits written information to the board shall be deemed to be a party to the proceedings.

(5) Any decision of the board to issue, deny or withdraw a certificate of need or to approve or disapprove an application for an exemption under this chapter shall be based solely on the record established with regard to the matter. The record shall include in addition to any other items required by administrative regulations promulgated by the board:

(a) The application filed and any information provided by the applicant at the request of a health systems agency or the board;

(b) Any information provided by a holder in response to a notice of intent to withdraw a certificate of need;

(c) Any staff reports, memoranda or documents prepared by or for a health systems agency or the board regarding the matter under review which were introduced at any hearing;

(d) The recommendation made by a health systems agency to the board;

(e) Any information provided by affected persons which was introduced at a hearing;

(f) Any other evidence admitted in a hearing held with respect to the matter under review; and

(g) The findings of fact and recommendation of the hearing officer.

(6) The board's decision shall be consistent with the state health plan.

(7) All decisions granting, denying, modifying or withdrawing a certificate of need shall be made by the board in writing and shall be recorded in the minutes of the board. The board shall notify the parties to the proceedings of the decision. The decision shall become final and conclusive thirty (30) days after notice thereof is made unless an administrative appeal is taken.

(8) After the commencement of a hearing before the board and before a decision is made on an application for, or a proposed withdrawal of, a certificate of need, there shall be no ex parte contacts with regard to the pending action between any board member or other person associated with the board who exercises any discretion respecting the application or proposed withdrawal; and

(a) The applicant for the certificate of need or the holder of the certificate proposed to be withdrawn; or

(b) Any person acting in behalf of such applicant or holder; or

(c) Any person opposed to the issue of the certificate of need or in favor of the withdrawal of the certificate.

In the event that an ex parte contact occurs, it shall be promptly reported to the board and made a part of the record.

SECTION 17. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Any person may, for good cause shown, request in writing a hearing for purposes of reconsideration of a board decision under such procedures as are promulgated by administrative regulation. The request shall be filed within fifteen (15) days of the board's decision. For purposes of this section there shall be deemed to be "good cause shown" if the request for a public hearing:

(1) Presents significant, relevant information not previously available for consideration by the board; or

(2) Demonstrates that there have been significant changes in the factors or circumstances relied upon by the board in reaching its decision; or

(3) Demonstrates that the board has materially failed to follow its adopted procedures in reaching its decision.

If a public hearing is granted by the board, it shall be held within thirty (30) days after the decision to grant the request for reconsideration is filed. The hearing shall be conducted in accordance with the provisions of this chapter.

SECTION 18. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) The board may waive the procedures for a formal review of an application for a certificate of need and substitute therefor a nonsubstantive review. The board shall grant or deny nonsubstantive review status within fifteen (15) days of the date the application is filed. The board shall give notice as to its decision to conduct a nonsubstantive review to all affected persons. The board shall issue or deny a certificate of need on all projects assigned nonsubstantive review status within forty-five (45) days of the determination of nonsubstantive review status. If the applicant's project is denied nonsubstantive review status or is denied a certificate of need following a nonsubstantive review, the applicant may apply for a certificate of need under the formal procedures outlined under this chapter.

(2) A project which would normally be subject to formal review shall be assigned nonsubstantive review status if the proposed project involves capital expenditures and/or modification of health facilities or services in emergency circumstances that pose a threat to public health. Emergency circumstances shall include acts of God, fire, vandalism, structural and/or mechanical failure and other similar situations which if not promptly acted upon would pose a threat to public health. Any applicant acting under this section must file within thirty (30) days of such occurrence, an application with the board for a nonsubstantive review.

(3) The board shall grant nonsubstantive review status and, notwithstanding the criteria adopted by the board, shall approve an application for a certificate of need for a capital expenditure which is required:

(a) To eliminate or prevent imminent safety hazards as defined by federal, state, or local fire, building, or life safety codes or regulations; or

(b) To comply with licensure standards; or

(c) To comply with accreditation standards compliance with which is required to receive reimbursements under title XVIII of the social security act or payments under a state plan for medical assistance approved under title XIX of such act,

Unless the board finds the facility or service with respect to which such capital expenditure is proposed to be made is not in fact so required; or to the extent the facility or services contemplated by the proposed capital expenditure is addressed in the state health plan, the board finds that such capital expenditure is not consistent with the state health plan. An application for a certificate of need approved under this section shall be approved only to the extent that the capital expenditure is so required.

(4) The board shall grant nonsubstantive review status for a capital expenditure which is required:

(a) To replace or repair worn equipment provided such worn equipment shall have been used by the applicant in a health facility for five (5) years or more; or

(b) To make repairs, alterations or improvements to a health facility which do not result in a substantial change in beds or a substantial change in health services; or

(c) In such other circumstances as the board may by regulation prescribe.

Provided, however, in conducting such review the board shall consider the criteria used for formal reviews.

SECTION 19. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

No person shall separate portions of a single project into components in order to evade any expenditure minimum set forth in this chapter. For purposes of this chapter, the acquisition of one (1) or more items of functionally related diagnostic or therapeutic equipment shall be considered as one (1) project.

SECTION 20. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) Unless otherwise provided in this chapter, no person shall operate any health facility or health service in this Commonwealth without first obtaining a license issued by the board which license shall specify the kind or kinds of health services the facility is authorized to provide. A license shall not be transferable.

(2) No license shall be issued to an applicant who is in violation of the provisions of this chapter.

(3) The board shall adopt and promulgate by administrative regulations licensure standards and procedures which shall insure safe, adequate and efficient health facilities and health services. These regulations shall include, but need not be limited to:

(a) Patient care standards and safety standards, minimum operating standards, minimum standards for training and required licenses for medical staff personnel, and minimum standards for maintaining patient records;

(b) Application procedures;

(c) Classification and categorization of health facilities and health services according to character, size, range of services provided, type and level of care required;

(d) Classification or category of health facilities and health services which must be met in order to receive a license to operate and maintain health facilities and health services;

(e) Renewal procedures;

(f) Fees and charges.

(4) The board shall have the authority to deny, suspend, probate, modify or revoke a license in any case in which it finds that there has been a substantial failure to comply with the provisions of this chapter or the rules and regulations promulgated hereunder. Such denial, suspension, modification, probation, or revocation shall be effected by mailing to the applicant or licensee, by certified mail, a notice setting forth the particular reasons for such action. Such denial, suspension, modification, probation or revocation shall become final and conclusive thirty (30) days after the mailing unless the applicant or licensee, within said thirty (30) day period, shall request in writing a hearing before the board.

(5) Hearings pertaining to licensure shall be before a quorum of the board, or at the request of the chairman, by a hearing officer designated by the secretary of the department for human resources.

(a) Hearing officers appointed under this section shall have the power to issue subpoenas and administer oaths.

(b) If the hearing is before a designated hearing officer, within thirty (30) days from the conclusion of the hearing, the hearing officer shall transmit his findings and recommendations with a synopsis of the evidence contained in the record and a statement of the basis of his findings to the board. The applicant or licensee shall be entitled to be represented at the hearing in person or by counsel, or both, and shall be entitled to introduce testimony by witnesses or, if the board so permits, by depositions. A full and complete record shall be kept of all hearings, and all testimony shall be reported but need not be transcribed unless the decision is appealed pursuant to this chapter. The board shall prepare written findings of fact and state the basis for its decision which shall become part of the record of the proceedings.

(6) All hearing decisions revoking, suspending, probating, modifying or denying licenses shall be made by the board in writing and shall be recorded in the minutes of the board. The board shall notify the applicant or licensee of the decision. The decision shall become final and conclusive thirty (30) days after notice thereof is made unless an administrative review is taken.

SECTION 21. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) Any party adversely affected by a final decision of the board with respect to a certificate of need, an application for an exemption under this chapter, or a license, and a health systems agency if the decision of the board respecting a certificate of need is inconsistent with a recommendation made by the agency to the board with respect to the certificate of need may, within thirty (30) days of the date notice is made of such decision, file an appeal for an administrative review. Such appeal shall be in writing and shall state the specific grounds for the appeal. Appeals shall be filed with the board pursuant to regulations issued by the board. An appeals officer shall be appointed by the attorney general to hear the appeal. The appeals officer may not be an employe or agent of the board or the department for human resources. The executive director of the board shall forward a certified record of the board's proceedings to the appeals officer within ten (10) days of the receipt of the notice of appeal. The cost of such record shall be taxed as costs upon appeal. In lieu of filing of such record an abstract thereof may be filed if all parties to the appeal agree.

(2) Appeals shall be on the record certified, pursuant to regulations. No new or additional evidence may be introduced. The appeals officer shall review the case upon the certified record or abstract thereof, and shall dispose of the case in a summary manner, and shall reverse or remand the case to the board for reconsideration if, he finds that the board acted outside its jurisdiction, or is arbitrary or capricious, or that the findings of fact in issue are not supported by substantial evidence and are clearly erroneous.

(3) If the case is remanded by the appeals officer, the action of the board upon reconsideration shall be a final order for the purposes of judicial appeal. If the decision of the board is affirmed or reversed on review, the appeals officer's decision shall be the final decision for judicial review.

SECTION 22. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) An appeal to the Franklin circuit court may be taken from any final decision of the appeals officer or the board's decision upon remand, by the appeals officer, by any party adversely affected by the decision with respect to a certificate of need, an application for an exemption under this chapter, or a license.

(2) An appeal may be taken by filing a petition for review in the Franklin circuit court within thirty (30) days after the rendition of the final decision. The petition shall state completely the grounds upon which the review is sought and shall assign all errors relied upon. The petitioner shall serve a copy of the petition to each person who was a party to the administrative appeal. Summons shall be issued upon the petition directing the adverse party or parties to file answer within twenty (20) days after service of summons. The board shall, upon being served with the summons, and within thirty (30) days thereafter, file a copy of the record, duly certified by the executive director of the board, the cost of such record to be taxed as costs upon appeal. In lieu of filing of such record an abstract thereof may be filed if all parties to the judicial appeal agree.

SECTION 23. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) Each party to the administrative appeal may appear in the proceedings in the circuit court on an appeal.

(2) In case of appeals, no new or additional evidence may be introduced in the circuit court except as to fraud or misconduct of some person engaged in the administration of this chapter and affecting the order; the court shall hear the case upon the certified record or abstract thereof, and shall dispose of the case in the summary manner, its review being limited to determining whether or not the board acted within its jurisdiction, the order was procured by fraud, and the findings of fact in issue are supported by substantial evidence and are not clearly erroneous based upon a review of the record as a whole.

(3) The court shall enter judgment confirming, modifying or setting aside the decision or, in its discretion, remanding the case to the board for proceedings in conformity with the directions of the court.

(4) Any party to the judicial appeal may appeal from the circuit court to the court of appeals in accordance with the Kentucky rules of civil procedures.

SECTION 24. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

In the event the board fails to approve or disapprove an application for a certificate of need or an exemption pursuant to this chapter, within the time prescribed under this chapter or administrative regulations promulgated by the board, the applicant may seek judicial enforcement of this chapter by filing a civil action in Franklin circuit court.

SECTION 25. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Any person who, in willful violation of this chapter, operates a health facility or health service without first obtaining a license, or continues to operate a health facility or health service after a final decision, suspending or revocating a license shall be fined not less than five hundred dollars ($500) nor more than three thousand dollars ($3,000) for each day of violation.

SECTION 26. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Any person who, in willful violation of this chapter, acquires major medical equipment; offers a new institutional service; makes a substantial expenditure in preparation for the offering of such equipment or health services; or obligates a capital expenditure without first obtaining a certificate of need, or after the applicable certificate of need has been withdrawn, shall be fined not less than five hundred dollars ($500) nor more than three thousand dollars ($3,000) for each day of violation.

SECTION 27. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Any other provisions of this chapter notwithstanding any expenditure mimimum or limit as provided in this chapter, shall be increased for each twelve (12) month period beginning twelve (12) months after this section is enacted and for each twelve (12) month period thereafter shall be adjusted to reflect the changes in the preceding twelve (12) month period in an index designated by regulation pursuant to the federal act for the purposes of making such adjustment. The board shall reflect such adjustment by the promulgation of administrative regulations.

Section 28. KRS 205.510 is amended to read as follows:

As used in this chapter as it pertains to medical assistance unless the context clearly requires a different meaning:

(1) "Council" means the advisory council for medical assistance;

(2) "Dentist" means a person authorized to practice dentistry under laws of the Commonwealth;

(3) "Medical care" as used in this chapter means essential medical, surgical, dental, optometric, podiatric, and nursing services, in the home, office, clinic, or other suitable places, which are provided or prescribed by physicians, optometrists, podiatrists or dentists licensed to render such service, including drugs and medical supplies, appliances, laboratory, diagnostic and therapeutic services, nursing home and convalescent care, hospital care as defined in KRS 205.560(1)(a), and such other essential medical services and supplies as may be prescribed by such persons; but not including abortions, or induced miscarriages or premature births, unless in the opinion of a physician such procedures are necessary for the preservation of the life of the woman seeking such treatment or except in induced premature birth intended to produce a live viable child and such procedure is necessary for the health of the mother or her unborn child. However, this section does not authorize optometrists to perform any services other than those authorized by KRS Chapter 320;

(4) "Nurses" means persons authorized to practice professional nursing under the laws of the Commonwealth;

(5) "Nursing home" means a facility which provides routine medical care in which physicians regularly visit patients, which provide nursing services and procedures employed in caring for the sick which require training, judgment, technical knowledge, and skills beyond that which the untrained person possesses, and which maintains complete records on patient care, and which is licensed pursuant to the provisions of *Section 2 of this Act* [KRS 216.405];

(6) "Optometrist" means a person authorized to practice optometry under the laws of the Commonwealth;

(7) "Pharmacist" means a person authorized to practice pharmacy under the laws of the Commonwealth;

(8) "Physician" means a person authorized to practice medicine or osteopathy under the laws of the Commonwealth;

(9) "Podiatrist" means a person authorized to practice podiatry under the laws of the Commonwealth;

(10) "Primary care center" means a facility which provides comprehensive medical care with emphasis on the prevention of disease and the maintenance of the patients' health as opposed to the treatment of disease;

(11) "Public assistance recipient" means a person who has been certified by the bureau for social insurance of the department for human resources as being eligible for, and a recipient of, public assistance under the provisions of this chapter;

(12) "Other persons eligible for medical assistance" may include the categorically needy excluded from money payment status by state requirements and classifications of medically needy individuals as permitted by federal laws and regulations and as prescribed by regulation of the secretary of the department for human resources or his designee;

(13) "Vendor payment" means a payment for medical care which is paid by the department for human resources directly to the authorized person or institution which rendered medical care to an eligible recipient.

Section 29. KRS 222.310 is amended to read as follows:

(1) As used in this section "hospital" shall *mean a health facility licensed as such by the Kentucky health facilities and health services certificate of need and licensure board pursuant to the provisions of this Act* [be defined as in KRS 216.405(6)].

(2) No hospital shall refuse to admit and treat on the basis of medical need, alcohol abusers and alcoholics whose admission or treatment has been prescribed by a physician who is a member of the hospital's staff; nor shall any hospital discriminate against alcoholics solely because of their alcoholism.

Section 30. KRS 304.38-020 is amended to read as follows:

(1) The purpose of this subtitle is to encourage and guarantee the development of health maintenance organizations by licensing and regulating their operation to insure that they provide high quality health care services through state licensed organizations meeting reasonable standards as to administration, services, and financial soundness.

(2) It is the intent of this subtitle to complement the provisions of *the certificate of need and licensure provisions of this Act* [KRS 216.405 to 216.485, the Kentucky certificate of need, licensure and regulations act of 1972].

(3) It is the intent of this subtitle to complement the federal health maintenance organization act of 1973, as amended (P.L. 93-222), and nothing in this subtitle is intended to be in conflict with the federal statutes and regulations promulgated thereunder.

Section 31. KRS 304.38-040 is amended to read as follows:

(1) Any person may apply to the commissioner for and obtain a certificate of authority to establish and operate a health maintenance organization in compliance with this subtitle.

(2) Health maintenance organizations may be organized by applying the provisions of KRS Chapter 271A, if for profit, and KRS Chapter 273, if for non-stock, non-profit, to the extent that the same are not inconsistent with the express provisions of this Subtitle.

(3) Each application for a certificate of authority shall be submitted to the commissioner upon a form prescribed by him and shall set forth or be accompanied by:

(a) Evidence that the applicant has been issued a certificate of need in accordance with the provisions of *this Act* [KRS 216.405, 216.425, 216.435, and 216.445];

(b) The basic organizational documents in triplicate originals acknowledged and verified by the applicant, such as the articles of incorporation, articles of association, partnership agreement, or other applicable documents;

(c) The initial bylaws of the organization in triplicate (or any other similar documents);

(d) A statement which shall include describing the health maintenance organization, (i) the proposed method of marketing; (ii) the initial geographic area to be served; (iii) a financial program setting forth a 3-year projection of such operation; and (iv) the sources of working capital and funding;

(e) The names, addresses, and positions of the initial board of directors, board of trustees, or other governing body responsible for the conduct of the affairs of the applicant;

(f) Any proposed contracts or agreements to be issued by the applicant to:

1. Enrollees; and
2. Any employers, unions, or any other groups; and

(g) Evidence of financial responsibility as provided in KRS 304.38-060.

Section 32. KRS 304.1-120 is amended to read as follows:

No provision of this code shall apply to:

(1) Fraternal benefit societies (as identified in subtitle 29), except as stated in subtitle 29.

(2) Nonprofit hospital, medical-surgical, dental and health service corporations (as identified in subtitle 32) except as stated in subtitle 32.

(3) Burial associations (as identified in KRS Chapter 303), except as stated in subtitle 31.

(4) Assessment or cooperative insurers (as identified in KRS Chapter 299).

(5) Insurance premium finance companies (as identified in subtitle 30), except as stated in subtitle 30.

(6) A group or association of health facility and health services institutions subject to the *certificate of need and licensure provisions of this Act* [Kentucky certificate of need, licensure and regulations act of 1972, KRS 216.405 to 216.485], composed of any number of members, who join together to self insure against professional liability or comprehensive general liability risks for bodily injury or property damage, to anyone except employes for claims arising out of their employment of the members of such group, which arises out of the operation of institutions by members of the group and who comply with the following conditions:

(a) Establishment of a professional or comprehensive general liability risk management trust fund to provide adequate coverage for claims made against members of the fund for professional liability or comprehensive general liability risks;

(b) Establishment of a comprehensive loss prevention and risk management program coordinated with an effective claims management system for members of the group;

(c) Filing with the department, on a form to be provided by the department, a certification setting forth the establishment of such a trust fund, the date upon which the trust fund is to become effective, the identity of the members of the trust fund, and a copy of the programs and systems established for the members of the trust fund.

Section 33. KRS 311.377 is amended to read as follows:

(1) Any person who applies for, or is granted staff privileges after June 17, 1978, by any health services organization subject to licensing under the provisions of *the certificate of need and licensure provisions of this Act* [KRS 216.405 through KRS 216.485], shall be deemed to have waived as a condition of such application or grant, any claim for damages for any good faith action taken by any person who is a member, participant in or employe of or who furnishes professional counsel or services to any committee, board, commission, or other entity which is duly constituted by any licensed hospital, medical society, or association affiliated with the American medical association, American podiatry association, American dental association, American osteopathic association or the American hospital association, or a medical care foundation affiliated with such a medical society or association, or governmental or quasi-governmental agency designated to review and evaluate the health care acts of other health care personnel. This subsection shall have equal application to, and the waiver be effective for, those persons who, subsequent to June 17, 1978, continue to exercise staff privileges previously granted by any such health services organization.

(2) The proceedings, records, opinions, conclusions and recommendations of any committee, board, commission, professional standards review organization, or other entity, as referred to in subsection (1) of this section shall be confidential and privileged and shall not be subject to discovery, subpoena, or introduction

into evidence, in any civil action in any court or in any administrative proceeding before any board, body, or committee, whether federal, state, county, or city. This subsection shall not apply to any proceedings or matters governed exclusively by federal law or federal regulation.

(3) Nothing in subsection (2) of this section shall be construed to restrict or limit the right to discover or use in any civil action or other administrative proceeding any evidence, document or record which is subject to discovery independently of the proceedings of the committee, board, commission, professional standards review organization or other entity to which subsection (1) of this section refers.

(4) No person who presents or offers evidence in proceedings described in subsection (2) of this section or who is a member of any committee, board, commission, professional standards review organization before which such evidence is presented or offered may refuse to testify in discovery or upon a trial of any civil action as to any evidence, document or record described in subsection (3) of this section or as to any information within his own knowledge except as provided in subsection (5) of this section.

(5) No person shall be permitted or compelled to testify concerning his testimony or the testimony of others except that of a defendant given in any proceeding referred to in subsection (2) of this section, or as to any of his opinions formed as a result of such proceeding.

(6) In any action in which the denial of staff privileges by any health care entity shall be in issue, agents, employees or other representatives of a health care entity may with the consent of such health care entity testify concerning any evidence presented in proceedings related to the entity's denial of such staff privileges.

(7) Nothing in this section shall be construed to restrict or prevent the presentation of testimony, records, findings, recommendations, evaluations, opinions, or other actions of any committee, board, commission, professional standards review organization, or other entity described in subsection (1) of this section, in any statutory or administrative proceeding related to the functions or duties of any committee, board, commission, professional standards review organizations, or other entity.

Section 34. KRS 216.990 is amended to read as follows:

[(1) Any person who opens or keeps open a private lying-in hospital for women without obtaining the permit prescribed by KRS 216.250 shall be fined not less than two hundred and fifty dollars ($250) nor more than five hundred dollars ($500), or be imprisoned in the county jail not less than two (2) months nor more than six (6) months, or both.

(2) Any violation of KRS 216.405 to 216.485 and regulations promulgated thereunder shall be subject to a fine of not less than twenty-five dollars ($25.00) nor more than two hundred dollars ($200). Each day of violation shall constitute a separate violation.

(3)] Any hospital acting by or through its agents or employes which violates the provisions of KRS 216.453 shall be punished by a fine of not less than one hundred dollars ($100) nor more than five hundred dollars ($500).

Section 35. The following KRS sections are repealed:

216.405	Definitions for KRS 216.415 to 216.485.
216.406	Applicability of KRS 216.405(6)(a) and (b).
216.415	Intent of KRS 216.405 to 216.485.
216.425	Licensure board — Membership — Functions.
216.435	Assistance from health department and planning councils.
216.445	Requirement of certificate of need, license.
216.455	Exemptions from law.
216.465	Appeal of board's action to circuit court.
216.475	Separation of project prohibited.
216.485	Citation for KRS 216.405 to 216.485.
216.250	Private lying-in hospitals — How established.
216.260	Lying-in hospital subject to inspection.

HR 109, A RESOLUTION requesting a study of the Kentucky Medical Assistance Program.

WHEREAS, the cost of the Kentucky Medical Assistance Program has risen in a five year period from $133,589,597 in fiscal year 1975 to $248,190,828 in fiscal year 1979, an eighty-six percent (86%) increase; with specific increases of: fifty percent (50%) in nursing home cost; one hundred percent (100%) in inpatient hospital cost; one hundred and twenty percent (120%) in physician's fees, and three hundred and seventy-five percent (375%) in intermediate care cost; and

WHEREAS, the number of Medical Assistance recipients has dropped from 324,158 in fiscal year 1975 to 320,265 in fiscal year 1979, a one percent decrease; and for those receiving Medical Assistance *only*, the number of recipients has dropped from 62,424 in fiscal year 1975 to 56,495 in fiscal year 1979, a ten percent (10%) decrease; and

WHEREAS, many individuals who are medically needy do not now qualify for Medical Assistance *only* as the income eligibility level of one-hundred and fifty dollars ($150) for one (1) person, one hundred and eight-three dollars ($183) for two (2) persons, etc., has not been raised since October 1974, and there have been no adjustments for inflation, which has amounted to fifty percent (50%) during the five year period; and

WHEREAS, many cost effective preventive health programs and the utilization of qualified paraprofessional health care providers, which could reduce Medical Assistance cost, are underfunded or not now reimbursable by Medical Assistance; and

WHEREAS, a large number of physicians refuse to participate in the Medical Assistance Program and many others only accept a small percentage of Medical Assistance recipients as patients, requiring a few physicians to accept large numbers of Medical Assistance recipients as patients; and

WHEREAS, many physicians complain that payment procedures are too complicated; payment rates vary by geographic location without reason; and payment is delayed an inordinate time period; and

WHEREAS, certain hospitals and health facilities discourage and deny access to physicians who accept Medical Assistance recipients as patients; and

WHEREAS, additional problems exist in the areas of restrictions on the utilization of certain necessary drugs, payment levels for lab fees performed in a physician's office, and other areas which affect the health of low income citizens of our Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the staff of the Legislative Research Commission be requested to undertake a study of the Kentucky Medical Assistance Program; including the adequacy of the program in serving those who are medically needy; program changes which could reduce or contain the cost of Medical Assistance; and changes which would increase the acceptance of the Medical Assistance Program to providers of health care services.

Section 2. That findings of the study be reported to the appropriate interim joint committee by July 1, 1981, and that the final study be delivered to the Legislative Research Commission at its November, 1981, regular meeting and to the 1982 General Assembly.

Section 3. Staff services to be utilized in completing this study are estimated to cost $14,000. These services shall be provided from the regular commission budget and are subject to the limitations and other research responsibilities of the commission.

The Committee on Natural Resources reported **SB 257,** with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 257, AN ACT relating to oil shale mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 350 IS CREATED TO READ AS FOLLOWS:

(1) The general assembly finds that there has been a recent interest in the Commonwealth in the mining and processing of oil shale due to the critical need for fossil fuel which has developed in this country. The general assembly further finds that the development of this fossil fuel could be of significant long range benefit to the Commonwealth and to the United States of America, but that the unregulated extraction and processing of oil shale within the Commonwealth could cause soil erosion, water pollution and the destruction of aesthetic and agricultural values. The general assembly further finds that, in order to effectively regulate the extraction and processing of oil shale, the department for natural resources and environmental protection shall conduct extensive research concerning the process, waste production and potentially adverse environmental impacts of such recovery operations.

(2) It is the intent of the general assembly to provide such regulation and control of the mining and processing of oil shale as to minimize and prevent its adverse effects on the citizens and the environment of the Commonwealth. The general assembly further finds that the department for natural resources and environmental protection is the most competent agency to regulate the extraction and processing of oil shale due to its expertise in the handling of the surface mining of other minerals and in the regulation of other sources of air and water pollution.

(3) The department for natural resources and environmental protection shall adopt reasonable rules and regulations pertaining to oil shale mining operations, which shall include strip mining as defined by KRS 350.010(1), the surface effects of underground mining of oil shale, and the in situ mining of oil shale by June 30, 1981. No person shall engage in the commercial mining or processing of oil shale until such time as the department promulgates rules and regulations to provide standards for such mining.

(4) In promulgating regulations pursuant to subsection (3) of this section, the secretary shall make written finding that the regulations promulgated are based on sound scientific and engineering data and are reasonably necessary to protect the people and environment of the Commonwealth from the adverse effects of oil shale extraction. The secretary shall promulgate regulations consistent with existing standards for land, water and air protection. The secretary may conduct a public hearing on the subject of the department's regulation of the extraction and processing of oil shale for the purpose of collecting data and receiving public comments on this issue. The hearing will be held at a time and place to be determined by the secretary in accordance with the policy of the department.

(5) Prior to the adoption of the regulations required by this Act, nothing herein shall be construed to prevent core drilling, experimentation, removal of samples, or pilot and demonstration projects which involve the mining of not more than five (5) acres for the production of oil shale in any one county.

(6) Any person who violates any of the provisions of this section or regulations promulgated pursuant thereto shall be subject to civil penalties of not more than twenty-five thousand dollars ($25,000). Each day of continuing violation shall be deemed a separate violation.

The Committee Amendment No. 1 to **SB 257** is as follows:

Amend printed copy of **SB 257,** page 2, line 11, by striking the word "*adopt*" and substituting "*file with the Regulations Compiler*" after "*shall*" and before "*reasonable*"

The Committee Amendment No. 2 to **SB 257** is as follows:

Amend printed copy of **SB 257,** page 3, by deleting lines 9 through 14 in their entirety.

And on page 3, line 15, by deleting the number "(6)" and inserting in lieu thereof the number "(5)"

The Committee on Banking and Insurance reported **SB 206,** with Committee Amendment attached thereto, **SB 237, SB 270, SB 302,** and **SB 357** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 206, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.9-230 is amended to read as follows:

(1) The commissioner may issue to an applicant qualified therefor under this code a limited agent's license as follows:

(a) Covering motor vehicle insurance only, if the licensee is not concurrently licensed as agent, or solicitor as to any other kind of insurance or class of insurance business.

(b) To persons representing common carriers, as provided in KRS 304.9-170.

(c) Covering only insurance against loss or damage resulting from failure of debtors to pay their obligations to the insured.

(d) Covering only credit life and credit health insurance.

(e) Covering agents writing mortgage guaranty insurance only.

(f) Covering agents (1) writing industrial life insurance only or (2) licensed by an insurer issuing policies having a face amount not in excess of five thousand dollars ($5,000.00) on the debit plan, if such agent actually collects and services a debit for such insurer.

(g) Covering agents writing only policies commonly referred to as mortgage redemption insurance, which consist of reducing term life insurance and accident and health insurance, if any, contained therein or sold in conjunction therewith.

(h) Covering agents writing crop-hail insurance only.

(2) The fee for licenses is as specified in KRS 304.4-010.

The Committee Amendment No. 1 to **SB 206** is as follows:

Amend printed copy of **SB 206,** page 2, line 3, by deleting the word "*only*"

Page 2, line 5 after "sist" and before "of" by inserting the word "*only*"

SB 237, AN ACT relating to domestic stock insurers and companies controlling such insurers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.24-410 is amended to read as follows:

(1) *As used in this section:*

(a) "Domestic stock insurer" means a stock insurance company licensed to transact the business of insurance in this state and incorporated under the laws of this state, and such term shall also include any corporation incorporated under the laws of this state or having its principal office or place of business in this state which controls a domestic stock insurer as defined under the preceding clause;

(b) "Equity security" means any shares, stock, class of stock, or similar securities, or any securities convertible into such shares, stock, class of stock or securities, or any securities carrying any warrant or right to subscribe to or purchase such shares, stock, class of stock or securities, or any such warrant or right, or any other shares, stock, class of stock or security which, for the protection of security holders or policyholders, is treated as an equity security;

(c) "Applicant" means a person who proposes an acquisition of equity securities subject to this section, including persons acting jointly or in concert, or who intend to exercise jointly or in concert any voting rights attached to the securities which are the subject of such acquisition proposal;

(d) "Control" means the power to direct or cause the direction of the management and policy decisions of a domestic stock insurer, including the power to cause the domestic stock insurer to refrain from acting;

(2) Any person proposing to acquire *equity securities* [the controlling capital stock] of any domestic stock insurer and thereby to change the control of the insurer, other than through merger or consolidation or affiliation as provided for in this subtitle, *and other than through inheritance, testamentary devise or gifts to or for the benefit of persons related to the donor by blood, marriage or adoption,* shall, *except as otherwise provided in this section,* first apply to the commissioner in writing for approval of such proposed change of control, *and simultaneously furnish to the domestic stock insurer a copy of such application.* The application shall state the names and addresses of the *applicant* [proposed new owners of the controlling stock or shares] and contain *or be accompanied by the following:* [such additional information as the commissioner may reasonably require.]

(a) Copies of all prospectuses, brochures, advertisements, circulars, letters, or other matter by means of which the applicant proposes to disclose to offeree holders of equity securities of the domestic stock insurer all information material to a decision to accept or reject the offer;

(b) The identity and background of all persons on whose behalf the acquisition of any equity security of the domestic stock insurer has been or is to be effected;

(c) The source and amount of funds or other consideration used or to be used in acquiring any equity security, including a statement describing any securities, other than the existing capital stock or long term debt of the applicant, which are being or are proposed to be offered in exchange for the equity securities of the domestic stock insurer;

(d) A statement of any plans or proposals which the applicant, upon gaining control, may have to liquidate the domestic stock insurer, sell its assets, effect a merger or consolidation of it, or make any other major change in its business, corporate structure, management personnel, or policies of employment;

(e) The number of shares of any equity security of the domestic stock insurer of which each applicant is beneficial or record owner or has a right to acquire, directly or indirectly, together with the name and address of each applicant;

(f) Particulars as to any contracts, arrangements, or understandings to which an applicant is party with respect to any equity security of the domestic stock insurer proposed to be acquired, including without limitation transfers of any equity security, joint ventures, loan or option arrangements, puts and calls, guarantees of loan, guarantees against loss, guarantees of profits, division of losses or profits, or the giving or withholding of proxies, naming the persons with whom such contracts, arrangements, or understandings have been entered into;

(g) Complete information on the organization and operations of applicant, including without limitation the year of organization, form of organization, jurisdiction in which it is organized, a description of each class of the applicant's capital stock and of its long term debt, financial statements for the current

period and for the three (3) most recent annual accounting periods, a brief description of the location and general character of the principal properties of the applicant and its subsidiaries, a description of pending legal proceedings other than routine litigation to which the applicant or any of its subsidiaries is a party or of which any of their property is the subject, a brief description of the business done and projected by the applicant and its subsidiaries and the general development of such business over the past ten (10) years, the names of all directors and executive officers together with biographical summaries of each for the preceding five (5) years to date, and the approximate amount of any material interest, direct or indirect, of any of the directors or officers in any material transaction during the past three (3) years, or in any proposed material transactions, to which the applicant or any of its subsidiaries was or is to be a party;

(h) Such other and further documents, exhibits, data, and information as may be required by the commissioner, or as may be necessary to make fair, full, and effective disclosure.

(3) If after an acquisition the person would directly or indirectly be a record or beneficial owner of fifteen percent (15%) or more of any class of the outstanding equity securities of a domestic stock insurer such acquisition shall be presumed to be for the purpose, but not necessarily to the exclusion of other purposes, of changing the control of such insurer, and failure to first apply to the commissioner shall be deemed a violation of this section. An acquisition of such equity securities which, when completed, would make such person the direct or indirect record or beneficial owner of less than fifteen percent (15%) of any class of the outstanding equity securities of a domestic stock insurer shall be presumed to be for a purpose other than the changing of control of such insurer and no application shall be required, and the acquisition of such equity securities and the failure to first apply to the commissioner shall not be a violation of this section. If, however, the commissioner has reasonable grounds to believe that any such lesser percentage could be used by such person to effectively control such domestic stock insurer, the commissioner may enter an order forbidding the acquisition of any additional equity securities or the taking of any other steps to acquire or exercise control of such insurer until an application is filed and approved pursuant to the other provisions of this section.

(4)[(2)] The commissioner shall not approve the *application or any* proposed change of control if he finds *on the basis of the application, books and records available to the commissioner or the record made at a public hearing, after full discovery*:

(a) That the proposed new owners are not qualified by character, experience and financial responsibility to control and operate the *domestic stock* insurer, or cause the *domestic stock* insurer to be operated, in a lawful and proper manner; or

(b) That as a result of the proposed change of control the *domestic stock* insurer may not be qualified for a certificate of authority under the provisions of subtitle 3; or

(c) That the interests of the *domestic stock* insurer or other stockholders of the *domestic stock* insurer or policyholders would be impaired through the proposed change of control; or

(d) That the proposed change of control would tend materially to lessen competition, or to create any monopoly, as to kinds of insurance involved, in this state or elsewhere*; or*

(e) That there exists or during the preceding five (5) years there has existed any willful violation for which any certificate of authority, license or other statutory authorization issued by the department to or for the benefit of the person or persons filing such application can be or could have been refused, suspended or revoked by the commissioner under any other section of KRS Chapter 304 upon his gaining knowledge thereof.

(5)[(3]) If the commissioner does not by affirmative action approve, [or] disapprove *or call a hearing upon* the *application and the* proposed change of control within thirty (30) days after the date such application was so filed with him, the proposed change may be made without such approval. But if the commissioner gives notice to the parties *within such thirty (30) day period that* [of] a hearing *will* [to] be held by him with respect to the *application and the* proposed change of control, *such hearing shall commence within thirty (30) days of such notice.* [and the hearing is held within such thirty (30) days or on a date mutually acceptable to the commissioner and the parties,] *If within ten (10) days of the filing of such application, a written request for a hearing is filed by the applicant or by the domestic stock insurer whose equity securities are the subject of the application, the commissioner shall call and hold such a hearing. At any hearing held by the commissioner under this subsection, full discovery shall be permitted, and the burden of proof shall rest with the applicant; provided, however, that the commissioner shall have the burden of going forward with evidence on any matter under subsection (4)(e).* The commissioner shall have *twenty (20)* [ten (10)] days after the conclusion of the hearing within which to [so] approve or disapprove the *application and the* proposed change; and if not so approved or disapproved, the change may thereafter be made without the commissioner's approval.

(6)[(4)] If the commissioner disapproves the proposed change he shall give written notice thereof to the parties, setting forth in detail the reasons for disapproval.

[(5) The commissioner may suspend or revoke the certificate of authority of any insurer the control of which has been changed in violation of this section.]

(7) KRS 446.070 shall be applicable to this section.

(8) This section shall not apply to any offers, requests, invitations, agreements or acquisitions of any equity securities of a domestic stock insurer:

(a) If immediately prior to the consummation of the acquisition, over fifty percent (50%) of any class of the outstanding equity securities entitled to vote are owned directly or indirectly by the person or persons making the acquisition; or

(b) If such equity securities were not issued or outstanding immediately prior to the consummation of the offer, request, invitation, agreement or acquisition; or

(c) Which the commissioner otherwise exempts therefrom in writing as not having been made or entered into for the purpose of and not having the effect of changing the control of such domestic stock insurer.

SB 270, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.18-110 is amended to read as follows:

(1) *Any group policy as defined in KRS 304.18-020 delivered or issued for delivery in this state which provides hospital or surgical expense benefits, other than for specific disease or accidental injury only, shall provide that with respect to employes or members having been covered under the group policy for at least three (3) months, such employes or members shall have the right upon termination of employment or membership in the group to have the existing group coverage continued for themselves and their eligible dependents. Written notice of employe's right to continue existing group coverage shall be given to the terminating employe at the time of termination of benefits or of employment. An employe or member electing continuation of coverage shall provide the employer or group policyholder written notice of election together with the first monthly premium contribution within thirty-one (31) days of the date coverage would otherwise terminate. The group rate premium shall be paid by the employe directly to the employer. The premium rate shall be that required for the coverage being continued and shall not exceed the applicable group rate. Continuation of coverage shall not be available for any employe or member who is or could be covered by medicare, nor who is or could be covered by any other group coverage insured or uninsured providing similar benefits. Continuation of coverage shall terminate on the earlier of (a) the date nine (9) months after the date on which the group coverage would otherwise have terminated because of termination of employment or membership, (b) if the employe or member fails to make timely payment of premium to the employer, the end of the period for which premium payment was made, or (c) the date the group policy is terminated and is not replaced by another group policy within thirty-one (31) days.*

(2) Any group policy described in subsection (1) of this section shall also provide that an employe or member having elected continuation of coverage pursuant to subsection (1) of this section and any covered spouse of an employe or member upon the death or divorce of such employe or member, shall be entitled to have issued to them without evidence of insurability, a health insurance policy on a form then available for conversion from the group coverage, by making written application therefor, accompanied by the first quarterly, semiannual or annual premium, at the option of the person or members, to the insurer not later than thirty-one (31) days after such termination of coverage. Such premium shall be in accordance with the insurer's table of premium rates in effect on the later of (a) the effective date of the converted policy or (b) the date of application therefor, and applicable to the class of risk to which the covered persons belong, their ages, the form, and the amount of insurance provided.

(3) Any group policy as defined in KRS 304.18-020 delivered or issued for delivery in this state which provides hospital or surgical benefits other than for specific diseases or accidental injury only, shall provide that if coverage terminates for any reason and if the individual has been continuously insured under a group policy and under any group policy it replaces for at least three months immediately preceding the termination of coverage, he shall be entitled to have issued to him by the insurer, without evidence of insurability, a health insurance policy on a form then available for conversion from the group coverage, by making written application therefor, accompanied by the first quarterly, semiannual or annual premium, at the option of the person or member, to the insurer not later than thirty-one (31) days after such termination of coverage. Such premium shall be in accordance with the insurer's table of premium rates in effect on the later of (a) the effective date of the converted policy or (b) the date of application therefor, and applicable to the class of risk to which the covered persons belong and to their ages and to the form and amount of insurance provided.

(4)[(2)] The converted policy shall cover the person or member and his eligible dependents covered by the group policy on the date the group policy terminated. The effective date of any such converted policy shall be the date of termination of insurance under the group policy.

(5)[(3)] The insurer shall not be required to issue a converted policy covering any person if such person is or could be covered by medicare (Title XVIII of the United States Social Security Act as added by the Social Security Amendments of 1965 or as later amended or superseded). Furthermore, the insurer shall not be required to issue a converted policy covering any person if (a) such person is covered for similar benefits by another hospital or surgical or medical expense insurance policy or hospital or medical service subscriber contract or medical practice or other prepayment plan or by any other plan or program or (b) similar benefits are provided for, or available to, such person pursuant to, or in accordance with the requirements of, any statute, and the benefits provided or available under any of the sources referred to in (a) and (b) above for such person, together with the converted policy, would result in over insurance according to the insurer's standards relating to policies converted from group policies. A converted policy made available pursuant hereto shall comply with KRS 304.18-120 if delivery of such converted policy is to be made in this state; and, if delivery of such converted policy is to be made elsewhere, it may be on such form as the insurer may then be offering for such conversion in the jurisdiction where such delivery is to be made and which provides substantially in compliance with that required by KRS 304.18-120.

(6)[(4)] In the event coverage would be continued under the group policy on a person or member following his retirement prior to the time he is or could be covered by medicare, he may elect, in lieu of such continuation of group insurance, to have the same conversion rights as would apply had his insurance terminated at retirement by reason of termination of employment.

(7)[(5)] The conversion privilege shall also be available: (a) to the surviving spouse, at the death of the person or member, with respect to the spouse and such children whose coverage under the group policy terminates by reason of the death of the person or member and (b) to a child solely with respect to himself upon termination of his coverage by reason of operation of the limiting age of coverage under the group policy while covered as a dependent thereunder.

(8)[(6)] This section shall not apply to group major medical expense insurance which supplements basic hospital, medical and surgical coverage under one or more group policies, group contracts or group remittance contracts from which a converted policy or a continuation of coverage is available providing benefits equivalent to the minimum benefits for a converted policy under this section.

(9)[(7)] If a person or member becomes entitled to obtain a converted policy pursuant to the foregoing provisions, and if such person or member has not been given written notice of the existence of the conversion privilege stated above, within thirty-one (31) days of termination of the group coverage, then in such event the person or member shall have an additional period within which to exercise the conversion privilege. This additional period shall expire fifteen (15) days after the person or member shall have been given said notice but in no event shall the additional period extend beyond sixty (60) days after the expiration of the thirty-one (31) day conversion period stated above. Written notice presented to the person or member or mailed by the policyholder to the last known address of the person or member or mailed by the insurer to the last known address of the person or member as furnished by the policyholder shall constitute the giving of notice for the purpose of this paragraph. If an additional period is allowed the person or member for exercise of the conversion privilege as provided herein, and if written application for the converted policy, accompanied by the first quarterly or semiannual or annual premium, is made after the expiration of the thirty-one (31) day conversion period stated above, but within the additional period allowed an employe or member in accordance with this paragraph, the effective date of the converted policy shall be the date of termination from the group.

SECTION 2. A NEW SECTION OF KRS 304.32-010 TO 304.32-270 IS CREATED TO READ AS FOLLOWS:

(1) Any group policy, group plan or group contract issued by a nonprofit corporation which provides hospital or surgical expense benefits, other than for specific disease or accidental injury only, shall provide that with respect to employes or members having been covered under the group policy for at least three (3) months, such employes or members shall have the right upon termination of employment or membership in the group to have the existing group coverage continued for themselves and their eligible dependents. Written notice of employe's right to continue existing group coverage shall be given to the terminating employe at the time of termination of benefits or of employment. An employe or member electing continuation of coverage shall provide the employer or group policyholder written notice of election together with the first monthly premium contribution within thirty-one (31) days of the date coverage would otherwise terminate. The group rate premium shall be paid by the employe directly to the employer. The premium rate shall be that required for the coverage being continued and shall not exceed the applicable group rate. Continuation of coverage shall not be available for any employe or member who is or could be covered by medicare, nor who is or could be covered by any other group coverage insured or uninsured providing similar benefits. Continuation of coverage shall terminate on the earlier of (a) the date nine (9) months after the date on which the group coverage would otherwise have terminated because of termination of employment or membership, (b) if the employe or member fails to make timely payment of premium to the employer, the end of the period for which premium payment was made, or (c) the date the group policy is terminated and is not replaced by another group policy within thirty-one (31) days.

(2) Any group policy described in subsection (1) of this section shall also provide that an employe or member having elected continuation of coverage pursuant to subsection (1) of this section and any covered spouse of an employe or member upon the death or divorce of such employe or member, shall be entitled to have issued to them without evidence of insurability, a health insurance policy on a form then available for conversion from the group coverage, by making written application therefor, accompanied by the first quarterly, semiannual or annual premium, at the option of the person or member, to the insurer not later than thirty-one (31) days after such termination of coverage. Such premium shall be in accordance with the insurer's table of premium rates in effect on the later of (a) the effective date of the converted policy of (b) the date of application therefor, and applicable to the class of risk to which the covered persons belong, their ages, the form, and the amount of insurance provided.

SECTION 3. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 38 IS CREATED TO READ AS FOLLOWS:

(1) Any group policy, group plan, or group contract issued in this state by a health maintenance organization which provides hospital or surgical expense benefits, other than for specific disease or accidental injury only, shall provide that with respect to employes or members having been covered under the group policy for at least three (3) months, such employes or members shall have the right upon termination of employment or membership in the group to have the existing group coverage continued for themselves and their eligible dependents. Written notice of employe's right to continue existing group coverage shall be given to the terminating employe at the time of termination of benefits or of employment. An employe or member electing continuation of coverage shall provide the employer or group policyholder written notice of election together with the first monthly premium contribution within thirty-one (31) days of the date coverage would otherwise terminate. The group rate premium shall be paid by the employe directly to the employer. The premium rate shall be that required for the coverage being continued and shall not exceed the applicable group rate. Continuation of coverage shall not be available for any employe or member who is or could be covered by medicare, nor who is or could be covered by any other group coverage insured or uninsured providing similar benefits. Continuation of coverage shall terminate on the earlier of (a) the date nine (9) months after the date on which the group coverage would otherwise have terminated because of termination of employment or membership, (b) if the employe or member fails to make timely payment of premium to the employer, the end of the period for which premium payment was made, or (c) the date the group policy is terminated and is not replaced by another group policy within thirty-one (31) days.

(2) Any group policy described in subsection (1) of this section shall also provide that an employe or member having elected continuation of coverage pursuant to subsection (1) of this section and any covered spouse of an employe or member upon the death or divorce of such employe or member, shall be entitled to have issued to them without evidence of insurability, a health insurance policy on a form then available for conversion from the group coverage, by making written application therefor, accompanied by the first quarterly, semiannual or annual premium, at the option of the person or member, to the insurer not later than thirty-one (31) days after such termination of coverage. Such premium shall be in accordance with the insurer's table of premium rates in effect on the later of (a) the effective date of the converted policy of (b) the date of application therefor, and applicable to the class of risk to which the covered persons belong, their ages, the form, and the amount of insurance provided.

SB 302, AN ACT relating to fiduciaries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 386.020 is amended to read as follows:

(1) Any fiduciary holding funds for loan or investment may invest them in:

(a) Bonds or other interest-bearing obligations of the federal government;

(b) Bonds, state warrants and other interest - bearing obligations of this state;

(c) Obligations issued separately or collectively by or for federal land banks, federal intermediate credit banks and banks for cooperatives under the Act of Congress known as the Farm Credit Act of 1971, 85 Stat. 583, 12 U.S.C. 2001 and amendments thereto;

(d) Notes and bonds secured by mortgage or trust deed insured by the federal housing administrator, obligations issued or insured by the federal housing administrator, and securities issued by national mortgage associations;

(e) Obligations representing loans and advances of credit that are eligible for credit insurance by the federal housing administrator, and the fiduciary may obtain such insurance;

(f) Loans secured by real property or leasehold, that the federal housing administrator insures or makes a commitment to insure, and the fiduciary may obtain such insurance;

(g) Real estate mortgage notes, bonds and other interest-bearing or dividend-paying securities (including securities of any open-end or closed-end management type investment company or investment trust registered under the Federal Investment Company Act of 1940) which would be regarded by prudent businessmen as a safe investment;

(h) Real estate, after obtaining the approval of the district court for such investment;

(i) Life insurance, endowment and annuity contracts issued by legal reserve companies authorized to do business in this state, after obtaining the approval of the district court for such investment. Said fiduciary may select any optional settlement provided in a policy maturing by death or as an endowment; [and]

(j) Notes, other interest-bearing obligations, and purchases of participations in such instruments, that are guaranteed in whole or in part by the United States of America or by any agency or instrumentality thereof*;*

(k) Certificates of deposit and savings accounts of any state or national bank whose deposits are insured by the federal deposit insurance corporation and whose main office is in this state, including itself, if such fiduciary is a bank. Such investments shall be insured by the federal deposit insurance corporation and the amount of the investments shall not exceed the limits of insurance of the federal deposit insurance corporation; and

(l) United States government securities or United States government agency securities the payment of the principal and interest on which the full faith and credit of the United States is pledged, said investments being made under the terms of a repurchase agreement between the fiduciary and any state or national bank whose main office is in this state, including itself, if such fiduciary is a bank.

(2) Fiduciaries holding funds for loan or investment may make loans with the securities named in subsection (1) as collateral.

(3) The fiduciary shall account for all interest or profit received.

SB 357, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.18-130 is amended to read as follows:

(1) Except as otherwise expressly provided herein, no contract providing major medical or out-patient care benefits, issued pursuant to Subtitles 18, 32 and 38 of KRS Chapter 304, shall be sold, [or] offered for sale in the Commonwealth of Kentucky unless such contract offers the master policyholder the option to purchase in new contracts the minimum benefits for treatment of alcoholism as specified in KRS 304.18-140.

(2) Coverage for treatment shall be divided into three (3) distinct phases:

(a) Emergency detoxification treatment;
(b) Residential treatment; and
(c) Out-patient treatment.

Such contracts shall contain a stipulation that no payment shall be made by the carrier to the provider except upon completion of the phase of program of treatment by the patient, under the guidance and direction of a physician licensed to practice in the Commonwealth or a professional, designated by such physician, who is a recognized staff member of a treatment facility licensed by the department *or* [and] accredited by the joint commission on the accreditation of hospitals.

(3) Disability and accident income benefits and basic health care contracts that do not provide major medical or out-patient care are excluded from KRS 304.18-130 to 304.18-180.

Section 2. KRS 304.18-140 is amended to read as follows:

Group contracts providing major medical or out-patient care benefits issued pursuant to KRS 304.18-130 for treatment of alcoholism shall require:

(1) That the patient be under the supervision of a physician licensed to practice in the Commonwealth or a professional designated by such physician, and who is a recognized staff member of a treatment facility licensed by the department *or* [and] accredited by the joint commission on the accreditation of hospitals;

(2) That the patient receive appropriate emergency detoxification treatment, residential treatment and out-patient treatment at facilities licensed by the department *or* [and] accredited by the joint commission on the accreditation of hospitals, for alcoholism treatment; and

(3) That the following minimum benefits per patient be provided:

(a) Emergency detoxification - 3 [to 5] days $40 per day
(b) Residential treatment - 10 [to 30] days $50 per day
(c) Out-patient treatment - *10* [1 to 50] visits $10 per *visit* [unit].

Section 3. KRS 304.18-150 is amended to read as follows:

Nothing contained in KRS 304.18-130 to *304.18-180* [304.18-170] shall be construed as prohibiting negotiation of group contracts providing major medical or out-patient benefits that exceed the minimum benefits required by KRS 304.18-140 relating to treatment of alcoholism.

Section 4. KRS 304.18-160 is amended to read as follows:

Treatment for alcoholism in acute care hospitals licensed by the Commonwealth *or* [and] accredited by the joint commission on accreditation of hospitals shall be treated by all health care carriers as any other disease entity covered by their contracts.

The Committee on Judiciary reported **SB 17** and **SB 100** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 17, AN ACT relating to condemnation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 416.670 is amended to read as follows:

(1) Development shall be started on any property which has been acquired through condemnation within a period of eight (8) years from the date of the deed to the condemnor or the date on which the condemnor took possession, whichever is earlier, for the purpose for which it was condemned. The failure of the condemnor to so begin development shall entitle the *current* [condemnee] landowner to repurchase the property at the price the condemnor paid to the landowner for the property. The *current owner of* [person from whom] the land *from which the condemned land was* [is] taken [by condemnation] may reacquire the land as aforementioned [by application to a court of competent jurisdiction, if such procedure is necessary and may recover his costs and reasonable attorneys' fees necessary to reacquire the land].

(2) *Any condemnor who fails to develop property acquired by condemnation within a period of eight (8) years after acquisition, shall notify the current landowner of the provisions of subsection (1) of this section. If the current landowner refuses to purchase property described in this section, public notice shall be given in a manner prescribed in KRS Chapter 424 within thirty (30) days of the refusal, and the property shall be sold at auction* [If development of the property is not started within a period of eight years pursuant to the provisions of this section, the condemnor may apply to a court of competent jurisdiction to extend the period of time before which the condemnee landowner shall be entitled to reacquire the property condemned. The court shall determine as a matter of law whether to grant such extension and the period of time for which the extension shall be granted]. Provided, however, that this section shall not apply to [condemnations by the department of transportation and] property acquired for purposes of industrial development pursuant to KRS Chapter 152.

(3) If there are two (2) or more current owners of the land from which the condemned land was taken because the remaining land was subdivided, and if they have a common boundary with the condemned land, the condemned land shall be reacquired by allowing all owners of a parcel of the remaining land with a common boundary and from which the condemned land was taken to offer sealed bids for the condemned land within thirty (30) days of notification by the condemnor. The condemnor shall accept the highest and best sealed bid equal to or greater than the price paid at the time of condemnation. If there are no sealed bids or if all sealed bids are below the original price paid by the condemnor for the property, the property shall be sold at auction.

SB 100, AN ACT relating to fiducial and judicial sales of real estate.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 389A IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

This chapter shall be titled "fiducial and judicial sales of real estate."

SECTION 2. A NEW SECTION OF KRS CHAPTER 389A IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding any other statutory limitation of the jurisdiction of the district court;

(a) Any fiduciary as defined by KRS 386.010, not otherwise possessing a power of sale, may move the district court of the county in which the fiduciary has qualified for an order granting the fiduciary the power to sell or mortgage any real estate or any interest therein possessed by his ward, incompetent, decedent, or trust; and

(b) The district court may enter an order granting the fiduciary the power to sell or mortgage any real estate or any interest therein possessed by the ward, incompetent, decedent or trust.

(2) The motion shall include an adequate description of the property, a summary of the grounds for the motion, and a request that the bond of the fiduciary be increased in an adequate amount in accordance with KRS 395.130.

(3) Unless waived in writing, written notice of the hearing with a copy of the motion shall be given in a manner authorized by the rules of civil procedure to all persons in being who, but for the sale of the property, have a vested or contingent interest therein.

(4) An aggrieved party may institute an adversary proceeding in circuit court pursuant to KRS 24A.120(1)(b) in respect to any order affecting the right of the fiduciary to sell or mortgage. Pending the entry of a final order that has become unappealable, neither the fiduciary nor the owner of any vested interest shall make any conveyance or mortgage of the real estate and any attempt to do so shall be null and void.

(5) No proceedings under this section shall be conducted by or before a commissioner of the district court.

SECTION 3. A NEW SECTION OF KRS CHAPTER 389A IS CREATED TO READ AS FOLLOWS:

(1) An order by the district court granting a fiduciary power under Section 2 of this Act shall contain an adequate description of the property and shall recite that it is a final order.

(2) The deed or mortgage from the fiduciary in exercise of the power granted shall recite in the source of title thereto the place where the order giving such authority may be found, and a certified copy of the order shall be recorded with the deed.

SECTION 4. A NEW SECTION OF KRS CHAPTER 389A IS CREATED TO READ AS FOLLOWS:

In the event the power of a fiduciary to sell or mortgage any real estate is limited by the will or trust instrument under which he is acting, such limitation may only be altered or amended by the circuit court of the county wherein the fiduciary was appointed, or if the fiduciary is acting under an agreement of trust without court supervision, the county in which the trust is or could be registered, in an action brought by the fiduciary in which all persons having a present or contingent interest in the property or its proceeds are made parties. Before adjudging that the fiduciary may deviate from the terms of the will or trust the court shall determine that there exist circumstances apparently unknown to the testator or settlor; that such circumstances would substantially impair the accomplishment of the purposes intended; and that deviation is in the best interests of all parties concerned.

SECTION 5. A NEW SECTION OF KRS CHAPTER 389A IS CREATED TO READ AS FOLLOWS:

The net proceeds of the sale or mortgage of real estate by a fiduciary shall be held, invested or distributed for the benefit of the persons who, but for the sale or mortgage, would be entitled to the income derived therefrom or the possession thereof, in accordance with law or the will or trust under which he is acting.

SECTION 6. A NEW SECTION OF KRS CHAPTER 389A IS CREATED TO READ AS FOLLOWS:

(1) When two (2) or more persons share title to real estate in such manner that a conveyance by them jointly would pass a fee simple title, any one or more of them may bring an action for the sale or division thereof in the circuit court of the county in which the land, or the greater part thereof, lies, making parties defendant those owners who have not joined as plaintiffs. A fiduciary possessing a power of sale may institute such an action against owners of interests not represented by him. Defendant owners shall be brought before the court in the manner provided by the civil rules whether or not a fiduciary possesses a power of sale of the defendant's interest, but any fiduciary possessing such a power shall also be made a defendant. The case shall be tried without a jury.

(2) A defendant who is under disability and for whom no fiduciary is acting shall be represented in the action by a guardian ad litem, but in the event of sale of such defendant's interest the court shall retain control of the proceeds of such interest until a duly appointed and adequately bonded fiduciary or custodian pursuant to a court order makes claim to the funds.

(3) In all such actions indivisability of the real estate shall be presumed unless an issue in respect thereto is raised by the pleading of any party, and if the court is satisfied from the evidence that the property is divisable, without materially impairing the value of any interest therein, division thereof pursuant to KRS 381.135 shall be ordered.

(4) If a sale of all or any part of the real estate shall be ordered, the court shall refer the matter to the master commissioner or appoint a commissioner to conduct a public sale and convey the property upon terms of sale and disposition of the net proceeds as may have been determined by the court.

(5) The death of any party pending the action and prior to distribution of the proceeds of sale or setting apart a divisable share shall not affect the action but the court may direct distribution or apportionment to the successors in interest of the decedent upon application therefor.

(6) If the interest of any party be one for life, or other term, in any portion of the real estate, the court shall determine the value of such interest and direct that such party receive a portion of the net sale proceeds or portion of the property if divisable, in fee in satisfaction of such interest, but if any party to the action objects to such procedure, and if the court finds that such procedure would defeat the objects and purpose of a person not a party to the action, such as a testator, grantor or settlor, but that sale or division is nevertheless desirable, the court shall order that the interest of the life or term tenant shall continue as to his portion of the real estate or the net proceeds of the sale thereof, in the latter case by directing that the funds derived from the sale of that portion of the real estate in which the life or term interest existed be paid to a trustee, appointed by and accountable to the district court, for reinvestment and distribution of income and principal in a manner consistent with the instrument under which the life or term estate was created.

SECTION 7. A NEW SECTION OF KRS CHAPTER 389A IS CREATED TO READ AS FOLLOWS:

When two (2) or more persons share title to real estate but an interest therein may be possessed by persons unborn or not immediately ascertainable, an action for sale or division may be brought in the same manner as provided in Section 6 of this Act but the interest of the unborn or unascertainable persons, unless a living member of the class to which such persons belong who is sui juris is a party to the action, shall be represented by a guardian ad litem who is not acting in such capacity for any other party to the action. In the event of sale or division under this section, the court shall apply the provisions of subsection (6) of Section 6 of this Act to preserve the interest of the unborn or unascertainable persons until they are born, ascertained or the class to which they belong otherwise closes.

SECTION 8. A NEW SECTION OF KRS CHAPTER 389A IS CREATED TO READ AS FOLLOWS:

During a period in which a fiduciary possesses any power of sale, an instrument of conveyance or mortgage made by any other person shall be null and void unless joined in by the fiduciary.

Section 9. KRS 452.400 is amended to read as follows:

Actions must be brought in the county in which the subject of the action, or some part thereof, is situated:

(1) For the recovery of real property, or of an estate or interest therein;

(2) For the partition of real property except as is provided in KRS 452.420;

(3) For the sale of real property under KRS Chapter *389A* [389], or under a mortgage, lien, or other encumbrance or charge, except for debts of a decedent;

(4) For an injury to real property.

Section 10. The following KRS sections are repealed:

386.090 Sale of real property held under express trust — Approval by court — Bond.

389.010 Provisions governing sales of realty of infants and persons of unsound mind.

389.015 Duration of bonds required by KRS 389.010.

389.020 Sale by court order of realty jointly owned — Action for confirmation of sale — Action for division and distribution of sale proceeds of property involving life estate and remainder.

389.030 Sale of reversion or remainder interest — Custody and reinvestment of proceeds.

389.035 Procedure for obtaining court approval for sale or mortgage of land in trust subject to life estate — Disposition of proceeds — Duties of life tenant.

389.040 Provisions governing sales and contingent interests — Reinvestment of proceeds.

389.045 Miscellaneous provisions governing sales.

389.050 Sale of dower.

389.055 Sale where share valued at less than one hundred dollars.

389.060 Lien to secure payment of proceeds — Collection of interest and proceeds — Purchaser may pay amount due into court.

The Committee on Natural Resources and Environment reported **SB 213, SB 260, SB 266, HCR 126, SR 33** and **SR 48** reported **SB 213, SB 260, SB 266, HCR 126, SR 33** and **SR 48** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 213, AN ACT relating to hearings by the department for natural resources and environmental protection.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 151.100 TO 151.460 IS CREATED TO READ AS FOLLOWS:

(1) Whenever the department has reason to believe that a violation of any of the provisions of this chapter or any rule or regulation promulgated pursuant thereto has occurred, it may issue and serve upon the person complained against a written notice of the provision of this chapter or the rule or regulation alleged to have been violated and the facts alleged to constitute the violation thereof. Further, this notice shall require the person so complained against to answer the charges set out in the notice at a hearing before the department at a time not less than thirty (30) days after the date of notice unless the person complained against waives in writing the thirty (30) day period.

(2) Except as provided in KRS 151.297 regarding emergency situations, any person not previously heard in connection with the issuance of any order or the making of any determination, including but not limited to the issuance, denial, modification, or revocation of any permit, by which he considers himself aggrieved may file with the department a petition alleging that such order or determination is contrary to law or fact and is injurious to him, alleging the grounds and reasons therefor, and demand a hearing. Unless the department considers that the petition is frivolous, it shall serve written notice of the petition on each person named therein and shall schedule a hearing before the department not less than thirty (30) days after the date of such notice, or unless the person complained against waives in writing the thirty (30) day period. The right to demand a hearing pursuant to this section shall be limited to a period of thirty (30) days after the petitioner has had actual notice of the order or determination complained of, or could reasonably have had such notice.

SECTION 2. A NEW SECTION OF KRS 151.100 TO 151.460 IS CREATED TO READ AS FOLLOWS:

(1) All hearings under this chapter shall be held before a qualified hearing officer, who may be a full-time employe of the department, serve by contract, or be paid on a per diem basis at the discretion of the department. After the conclusion of the hearing, the hearing officer shall within thirty (30) days make a report to the secretary and a recommended order which shall contain a finding of fact and a conclusion of law. If the secretary finds upon written request of the hearing officer that additional time is needed, then the secretary may grant an extension. The hearing officer shall serve a copy of his report and recommended order upon all parties of record to the proceeding and they shall be granted the right to file within seven (7) days of receipt exceptions thereto. The secretary shall consider the report and recommended order and pass upon the case. The decision shall be served by mail upon all parties and shall be a final order of the department.

(2) Any party to a hearing conducted pursuant to this chapter may be represented by counsel, may make oral or written argument, offer testimony, cross-examine witnesses, or take any combination of such actions. The record of such hearing shall be open to public inspection, and copies thereof shall be made available to any person upon payment of the actual cost of reproducing the original.

(3) In connection with a hearing the department shall issue subpoenas in response to any reasonable request by any party to the hearing requiring the attendance and testimony of witnesses and the production of evidence relevant to any matter involved in the hearing. In case of refusal to obey a subpoena issued to any person, the Franklin Circuit Court, upon application by the department, may issue to that person an order requiring him to appear before the department, there to produce documentary evidence if so ordered or to give evidence touching the matter under investigation or in question; and any failure to obey the order of the court may be punished by the court as a contempt of court.

(4) All hearings conducted pursuant to this chapter shall be open to the public.

SECTION 3. A NEW SECTION OF KRS 151.100 TO 151.460 IS CREATED TO READ AS FOLLOWS:

(1) Appeals may be taken from all orders of the department. Within thirty (30) days from the rendition of such order any such appeal shall be taken to the circuit court of the county where the structure or activity which is the subject of the order is located. The party or parties affected by the order shall file in the circuit court a petition which states fully the grounds upon which a review is sought and assign all errors relied on. The department shall be named respondent, and service shall be had on the secretary. Summons shall be issued upon the petition directing the department to send its entire record, properly bound, to the clerk of the circuit court after certifying that such record is its entire original record or a true copy thereof, which shall be filed by the clerk of the circuit court and considered by the circuit court on the review. After the case has been properly docketed in the circuit court, any party directly affected by the issues on appeal, may, upon notice to the parties and upon proper showing and in the discretion of the court, be permitted to intervene. Upon hearing of the appeal, the findings of the department shall be prima facie evidence of the facts found therein. The court shall review the entire record and the findings and order of the department.

(2) Appeals to the Court of Appeals from orders of the circuit court shall be taken in the manner provided in the Kentucky Rules of Civil Procedure.

Section 4. The following sections of the KRS are repealed:

KRS 151.180, Petition for hearing - Notice - Conduct of hearing - Findings - Appeal.
KRS 151.190, Judicial review on appeal - Procedure.

SB 260, AN ACT relating to development.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 152.750 is amended to read as follows:

(1) It shall be the policy of the Commonwealth of Kentucky to encourage and promote the development and demonstration of efficient, environmentally acceptable and commercially feasible technologies, techniques, and processes for *production, transportation,* conversion *and utilization* of coal [into clean fuels] in liquid, gaseous, or solid forms.

(2) *This policy may be implemented by the creation of a coal warehousing industry in the Commonwealth consisting of one or more coal storage sites with attendant loading, processing and transportation facilities to serve coal conversion facilities, any National Energy Project approved by the federal Energy Mobilization Board, any synthetic fuel project approved by the federal Energy Security Corporation and any other coal-related energy project, facility, process or technique involving increased production, transportation, conversion and utilization of Kentucky coal.*

(3) This policy may be implemented by the creation of a commodities exchange for the trading of coal futures in Kentucky consisting of a contract market and state certified coal warehousing facilities wherein coal which is subject to outstanding futures contracts can be stored for future delivery.

(4) This policy may be implemented by contracts and agreements with the federal government and its agencies and/or with other organizations, including private industry, and through organizations that may be formed jointly by the state, the federal government or its agencies, and private industry to conduct developmental and demonstration projects in such organizational form or legal entity deemed appropriate by the participants.

(5)[(3)] This policy may be implemented by the expenditure of state funds for the preliminary engineering and planning, design, construction, and/or operation of developmental and demonstrative projects in Kentucky, including pilot and demonstration plants, and for the acquisition and improvement of land, construction of roads, and provision of other public facilities incidental and necessary to the accomplishment of developmental and demonstrative projects in Kentucky[; provided that the expenditure of state funds for the construction and/or operation of projects shall be limited to projects for which funds of the federal government have also been committed by grant, loan or other contractual agreement with the Commonwealth, or one or more of its political subdivisions, or one or more corporations doing business in the Commonwealth of Kentucky].

(6)[(4)] This policy may be implemented by the sale or lease of state property or property rights to organizations engaged in developmental and demonstrative projects in Kentucky, either for a fair and reasonable consideration or solely or partly as all or a portion of the state's participation under KRS 152.755 to 152.785 in developmental and demonstrative projects.

(7)[(5)] This policy may be implemented by acquisition by purchase, and if the Commonwealth is unable to contract or agree with the owner after a good faith effort to do so, by the exercise of eminent domain the fee simple title to, or any acceptable lesser interest in such lands, rights of way, franchises, or easements, including submerged lands and riparian rights that are necessary for the construction, use or operation of any authorized demonstration project or projects and for the construction and operation of a line of railroad, truck road, overhead conveyor, pipeline or other transportation facilities for the transportation of coal, water, or other materials and supplies, to the authorized demonstration project or projects from the most convenient and accessible point on a railroad, navigable stream, or coal mine together with the necessary rights of ingress and egress to construct, examine, alter, repair, maintain, operate, or remove such transportation facilities. The proceedings for condemnation shall be as provided in the Eminent Domain Act of Kentucky.

(8)[(6)] This policy may be implemented by contracts and agreements for the Commonwealth to purchase all or a portion of the usable output of developmental and demonstration projects, either for a fair and reasonable consideration or solely or partly as all or a portion of the state's participation under KRS 152.755 to 152.785 in developmental and demonstrative projects, and to dispose of this output by use in state facilities or by resale at fair market value.

Section 2. KRS 65.530 is amended to read as follows:

(1) The purposes of the authority shall be to establish, maintain, operate and expand necessary and proper riverport and river navigation facilities, and to acquire and develop property, or rights therein within the economic environs of the riverport or proposed riverport to attract directly or indirectly river-oriented

industry. It shall have the duty and such powers as may be necessary or desirable to promote and develop navigation, river transportation, riverports, and riverport facilities, and to attract industrial or commercial operations to the property held as industrial parks.

(2) The authority shall establish and fix reasonable rates, charges and fees for the use of the riverport facilities which shall be published in a newspaper of general circulation in the county in which the riverport is located. In fixing such rates, charges or fees the authority may take into consideration, among other factors, the total capital investment of the authority, the revenue needed properly to maintain such facilities, the revenue needed properly to expand the riverport and its facilities, the portion of the facilities utilized by the licensee or contracting party and its customers and the volume and type of business conducted. Any party aggrieved by the rates, charges or fees may appeal from the action of the authority to the circuit court of the county within which the authority operates, within ninety (90) days from the date that the authority finally publishes such rates, charges or fees and gives notice of same to the contracting party or licensee. The circuit court may hear evidence and determine whether or not the rates, charges or fees are, or are not, reasonable in amount. Appeal from the judgment of the circuit court may be prosecuted as any other civil appeal.

(3) The authority shall also have power, from time to time, to fix rates, charges or fees by contract, or by publishing general rates, charges or fees for commercial vendors, concessionaires or other persons for the use or occupancy of riverport facilities under such terms and conditions as it may deem to be in the best interest of maintaining, operating or expanding necessary riverport facilities, and the public use thereof.

(4) The authority may acquire by contract, lease, purchase, option, gift, condemnation or otherwise any real or personal property, or rights therein, necessary or suitable for establishing, developing, operating or expanding riverports, riverport facilities, water navigation facilities, including spoilage areas for the disposal of materials dredged from river bottoms in an effort to improve the navigability of rivers, *reserve storage areas and reserves of bulk materials utilized by the authority or any person acting as the authority's agent or licensee,* and industrial parks or sites within the economic environs of the riverport or proposed riverport. The authority may erect, equip, operate and maintain on such property buildings and equipment necessary and proper for riverport and water navigation facilities. The authority may dispose of any real or personal property, or rights therein, which in the opinion of the authority is not needed for use as riverport or water navigation facilities, or use as industrial parks or sites. The authority may lease, sell, convey, or assign its interest in land owned, optioned, or otherwise held by it to any person for the purpose of constructing and/or operating any industrial or commercial facility or for the purpose of acting as the authority's agent or licensee in effectively carrying out any of its powers and duties.

(5) With the consent of the legislative body of the governmental unit in which the property to be condemned is located, the authority may by resolution, reciting that the property cannot be acquired by purchase or agreement and is needed for riverport, water navigation, or industrial purposes in accordance with the powers set forth in subsection (4) of this section, direct the condemnation of any property. The procedure for condemnation shall conform to the procedure set out in the Eminent Domain Act of Kentucky.

(6) The authority may apply for, receive authorization for, establish and operate a foreign trade zone, as permitted by 19 U.S.C. section 81, provided approval is obtained from the Kentucky port and river development commission.

Section 3. To effectuate the provisions of the Act there is appropriated from the General Fund to the Department of Energy $250,000 for fiscal year 1980-81 and $250,000 for fiscal year 1981-82.

SB 266, AN ACT relating to hazardous substances.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) The general assembly declares that it is the purpose of this section to promote the development of statewide programs, under the responsibility of a single agency, which are intended to protect the health of the citizens and the environment of the Commonwealth from present and future threats associated with the management of hazardous wastes, including disposal, treatment, recycling, storage, and transportation. The intent of the general assembly is to add to and coordinate, and not replace, existing efforts and responsibilities in the areas of hazardous waste management and to leave the primary burden and responsibility for hazardous waste management on private industry; and further to finance assistance and coordination by imposing assessments on the generators of hazardous waste. The assessments are intended to produce a reduction in waste generated; to promote the use of new techniques in recycling, treatment, and alternatives other than land disposal; and to place the burden of financing additional hazardous waste management activities

necessarily undertaken by state agencies on the users of those products associated with hazardous waste generation.

(2) The department for natural resources and environmental protection is given the authority to administer the provisions and programs of this section and the responsibility to achieve the purposes of this section.

(3) In addition to all specific responsibilities contained elsewhere in this chapter, the department shall:

(a) Respond effectively and in a timely manner to emergencies created by the release of hazardous substances as defined in Section 2 of this Act into the environment. The department shall provide for adequate containment and removal of the hazardous substances in order that the threat of a release or actual release of the substance may be abated and resultant harm to the environment minimized.

(b) Provide for post-closure monitoring and maintenance of hazardous waste disposal sites upon termination of post-closure monitoring and maintenance responsibilities by persons permitted to operate the facility pursuant to this chapter.

(c) Provide adequate testing, planning, contracting for removal, and cleanup of abandoned hazardous waste sites in all situations and to the extent that responsible parties are economically or otherwise unavailable to properly address the problem when the problem represents an imminent danger to the health of the citizens and the environment of the Commonwealth.

(4) The department shall recover, when possible, actual and necessary expenditures incurred in carrying out the duties under this section.

(5) It is the expressed purpose of this section to accomplish effective hazardous waste management that results in a reduction of the generation of hazardous wastes within the Commonwealth; further, it is a purpose of this chapter to allocate a portion of the cost of administering necessary governmental programs related to hazardous waste management to those industries who products are reasonably related to the production of hazardous waste.

(6) There is hereby imposed upon every person engaged within this state in the generation of hazardous waste an annual hazardous waste management assessment to be determined pursuant to this section according to the quantity by volume of hazardous waste generated, except that generators of "special wastes" and retailers who generate waste oil shall be exempt from said assessment. The assessment shall be reported and paid to the department of revenue on a quarterly basis on or before the twentieth (20th) day of the month after the end of each quarter. The payment shall be accompanied by a report or return in such form as the department of revenue may prescribe. If a federal law is enacted which accomplishes or purports to accomplish the purposes set forth in this section and which levies an assessment or tax upon any business assessed pursuant to this section, the amount of the assessment to be levied upon said business under this section shall be reduced by the amount of the federal assessment or tax upon said business; provided, however, that the reduction shall only be authorized when funds raised by the federal assessment or tax are made available to the state for any of the activities to be funded under this section. If federal monies are available to carry out the duties imposed by subsection (3) of this section the assessment shall cease to be levied and collected until such time as federal monies are no longer available to the Commonwealth for said purposes. The assessment shall be charged against generators of hazardous waste until June 30, 1984, and after such date no further hazardous waste management assessment shall be charged against generators. As of July 1, 1984 the assessment shall be charged against hazardous waste disposal facilities according to the quantity by volume of hazardous waste treated and disposed of at that facility.

(7) The assessment on generators shall be determined according to the following criteria for off-site treatment and disposal; the assessment for onsite treatment and disposal shall be one-half of the amount as would be assessed for off-site treatment and disposal except that onsite waste disposal facilities that incinerate, detoxify, solidify, neutralize or recycle hazardous waste shall be exempt unless the process involves the landfilling of hazardous waste.

(a) When the waste is destined for long-term containment without treatment, the assessment shall be two cents ($.02) per gallon initially, and shall increase by one cent ($.01) annually up to five cents ($.05) per gallon in 1983 and remain at five cents ($.05) thereafter if the waste is liquid, or two dollars and fifty cents ($2.50) per cubic yard if the waste is solid. Long-term containment includes disposal in a landfill, long-term storage, and other types of disposal specified by the department.

(b) When a waste not suitable for a long-term containment is chemically treated, resulting in a material which is suitable for long-term containment but is still hazardous, the assessment shall be one cent ($.01) per gallon if the waste is a liquid or one dollar ($1) per cubic yard if the waste is solid.

(c) When the waste is destined for chemical treatment resulting in a material which is not hazardous as determined by testing criteria promulgated by the department, the assessment shall be five mills ($.005) per gallon if the waste is liquid or fifty cents ($.50) per cubic yard if the waste is solid.

(d) When the waste is destined for destructive treatment by incineration or other means, the assessment shall be five mills ($.005) per gallon if the waste is liquid or fifty cents ($.50) per cubic yard if the waste is solid.

(8) The assessment on hazardous waste disposal facilities to be charged as of July 1, 1984 shall be determined according to the criteria set forth in paragraphs (a), (b), (c), and (d) of subsection (7) of this section for all hazardous waste disposal facilities except that onsite waste disposal facilities that incinerate, detoxify, solidify, neutralize or recycle hazardous waste shall be exempt unless the process involves the landfilling of hazardous waste.

(9) If any generator or operator of a hazardous waste disposal facility fails or refuses to file a return or furnish any information requested in writing by the department, the department of revenue may, from any information in its possession, make an estimate and issue an assessment against such generator or operator of a hazardous waste disposal facility and add a penalty of ten percent (10%) of the amount of the assessment so determined. This penalty shall be in addition to all other applicable penalties in this chapter.

(10) If any generator or operator of a hazardous waste disposal facility fails to make and file a return required by this chapter on or before the due date of the return or the due date as extended by the department of revenue, then, unless it is shown to the satisfaction of the department of revenue, that the failure is due to reasonable cause, five percent (5%) of the assessment found to be due by the department of revenue shall be added to the assessment for each thirty (30) days or fraction thereof elapsing between the due date of the return and the date on which filed, but the total penalty shall not exceed twenty-five percent (25%) of the assessment.

(11) If the assessment imposed by this chapter, whether assessed by the department of revenue, or the generator or operator of a hazardous waste disposal facility, or any installment or portion of the assessment is not paid on or before the date prescribed for its payment, there shall be collected, as a part of the assessment, interest upon the unpaid amount at the rate of eight percent (8%) per annum from the date prescribed for its payment until payment is actually made to the department of revenue.

(12) There is hereby created within the state treasury a trust and agency fund which shall not lapse to be known as the hazardous waste management fund. The department of revenue shall be responsible for collecting and receiving funds as provided in this section, and all such assessments collected or received by the state treasury shall be deposited in the hazardous waste management fund. When the state treasurer certifies to the department that the balance of the hazardous waste management fund exceeds six million dollars ($6,000,000), assessments shall not be collected until the state treasurer certifies to the department of revenue that the balance in the hazardous waste management fund is less than three million dollars ($3,000,000).

(13) Upon request of the secretary, monies accumulated in the hazardous waste management fund shall be released in amounts necessary to accomplish the performance of the duties imposed by subsection (3) of this section. However, monies from the fund shall not be used when federal monies are available to carry out said duties except when immediate action is required to protect public health or the environment in which case the department shall actively pursue reimbursement of the fund by any available federal monies.

SECTION 2. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section:

(a) "Discharge" means but is not limited to spilling, leaking, pumping, pouring, emitting, emptying or dumping.

(b) "Hazardous substance" means any substance or combination of substances including wastes of a solid, liquid, gaseous or semi-solid form which, because of its quantity, concentration or physical, chemical or infectious characteristics may cause or significantly contribute to an increase in mortality or an increase in serious irreversible or incapacitating reversible illness, or pose a substantial present or potential hazard to human health or the environment. Such substances may include but are not limited to those which are, according to criteria established by the department, toxic, corrosive, ignitable, irritants, strong sensitizers or explosive.

(c) "Preventive measures" mean the installation or testing of equipment or devices, designated way of performing a specified operation or the preparation of an emergency response plan.

(d) "Environmental emergency" includes any release or threatened release of materials into the environment in such quantities or concentrations as cause or threaten to cause an imminent and substantial danger to human health or the environment; the term includes, but is not limited to, discharges of oil and hazardous substances prohibited by section 311(b)(3) of the federal clean water act - (P.L. 92-500), as amended.

(2) The department shall promulgate regulations designating the hazardous substances subject to the provisions of this section.

(3) Persons possessing or controlling a hazardous substance shall immediately notify the department of any discharge which exceeds the limits permitted by law. Notification received under this subsection or information obtained in a notification received under this subsection may not be used against the person making such a notification in any criminal proceeding.

(4) Persons having possession of or control over a hazardous substance being discharged or who caused the discharge shall take the actions necessary to restore the environment to the extent practicable and minimize the harmful effects from any discharge into the air, lands or waters of the Commonwealth.

(5) The department shall be the lead agency for hazardous substance emergency spill response and, after consultation with other affected federal, state and local agencies and private organizations, shall establish a contingency plan for undertaking emergency actions in response to the discharge of hazardous substances. The contingency plan shall:

(a) Provide for efficient, coordinated and effective action to minimize damage to the air, land and waters of the Commonwealth caused by the discharge of hazardous substances;

(b) Include containment, cleanup and disposal procedures;

(c) Provide for restoration of the lands or waters affected to the satisfaction of the department;

(d) Assign duties and responsibilities among state departments and agencies in coordination with federal and local agencies;

(e) Provide for the identification, procurement, maintenance and storage of necessary equipment and supplies;

(f) Provide for designation of persons trained, prepared and available to provide the necessary services to carry out the plan; and

(g) Establish procedures and techniques for identifying, containing, removing and disposing of discharged hazardous substances.

(6) The department shall have the authority, power and duty to:

(a) Recover from persons liable therefor for the benefit of the hazardous waste management fund, the department's actual costs expended in response to an environmental emergency. Except as provided in paragraph (b), this section is intended solely to recognize the existence of a cause of action on behalf of the department and is not intended to expand or contract the bases of liability, the elements of proof or the amount of liability of any person;

(b) Notwithstanding paragraph (a), recover its costs incurred in the removal of oil or hazardous substances discharged in violation of section 311(b)(3) of the federal clean water act from any person liable therefor under section 311 of the federal clean water act subject to limitations of liability and defenses provided in said section. Such limitations of liability shall apply to the total of state and federal expenses.

(c) In every case where action required under this section is not being adequately taken or the identity of the person responsible for the discharge is unknown, the department or its agent may contain, remove or dispose of the hazardous substance or take any other emergency action which it deems appropriate under the circumstances, including, but not limited to, issuance of an emergency order as provided in KRS 224.071 to the person possessing, controlling or responsible for the discharge of hazardous substance as necessary for the protection of the environment and public health, safety or welfare.

(d) Any duly authorized officer, employe or agent of the department may upon notice to the owner or occupant enter any property, premises or place at any time for the purposes of this section, if such entry is necessary to prevent damage to the air, land or waters of the Commonwealth. Notice to the owner or occupant shall not be required if the delay attendant upon providing it will result in imminent risk to public health or safety.

(7) Nothing in this section shall replace the financial and technical assistance available to the Commonwealth pursuant to section 311 of the federal clean water act (P.L. 92-500) as amended, but rather shall be used to provide the Commonwealth with a mechanism for more immediate response to emergencies resulting from the discharge of hazardous substances.

HCR 126, A CONCURRENT RESOLUTION directing the formation of a special interim committee to propose policy and recommend legislation for the development of power plants in the Commonwealth's coal producing regions to the 1982 General Assembly.

WHEREAS, millions of tons of Kentucky coal are transported from Kentucky's coal producing regions to power plants nationwide; and

WHEREAS, these power plants could be situated in the Commonwealth's coal producing regions, thus creating employment for the citizens of the Commonwealth; and

WHEREAS, Kentucky's coal is a tremendous asset to the state and the nation, which as yet, has not been developed to its full potential; and

WHEREAS, stockpiles of coal continue to mount and coal mines are closing at a time when this nation should be relying more on its own energy resources;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. The Legislative Research Commission shall appoint a Special Interim Committee on Coal Region Power Plant Development. The Legislative Research Commission shall appoint two (2) members from the Senate and two (2) members from the House of Representatives to serve on the committee. The committee shall choose a chairperson and vice-chairperson. The committee shall meet at least quarterly and more often on the call of the chairperson.

Section 2. The committee shall propose policy and recommend legislation for the development of power plants in the Commonwealth's coal producing regions and the subsequent storage, distribution, and transmission of the energy generated by these plants.

Section 3. The committee shall make available to the General Assembly and the Legislative Research Commission its findings and any recommendations not later than September, 1981.

Section 4. It is estimated that the operation of the committee and the provision of staff services will cost approximately $10,000, such monies to be provided from the regular budget of the Legislative Research Commission.

SR 33, A RESOLUTION advising the Department of Finance of the intent of the Legislature in the creation of the Coal Producing County Development Fund.

WHEREAS, a controversy has arisen over the use of interest accrued upon severance tax money in the Coal Producing County Development Fund; and

WHEREAS, conflicting opinions have been expressed; and

WHEREAS, the Legislature desires to clarify its intent;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Department of Finance be advised that the intent of the Legislature in enacting KRS 42.300 was that the interest accrued on severance tax money in the Coal Producing County Development Fund shall be spent in the same manner as funds allocated to the board, and shall not accrue to the credit of the State's General Expenditure Fund.

SJR 48, A JOINT RESOLUTION directing a study of alternative state and local funding mechanisms for the implementation of more effective solid waste management throughout the Commonwealth.

WHEREAS, the health and welfare of the citizens of the Commonwealth is endangered by improper solid waste management; and

WHEREAS, the fiscal capacity of county and local governments to undertake solid waste program responsibilities is being continually reduced by inflationary costs and statutory limits on tax revenues; and

WHEREAS, the Federal Resource Conservation and Recovery Act of 1976 requires state and local governments to accomplish more effective solid waste management by establishing minimum standards for all solid waste disposal, developing plans for solid waste management, and assuming responsibility for implementation of these plans; and

WHEREAS, the implementation of more effective solid waste management is necessary to protect the health and welfare of the citizens of the Commonwealth from the harmful effects of improper solid waste disposal; and

WHEREAS, implementation of more effective solid waste management is the initial step toward effective resource recovery;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the appropriate interim joint committee of the Legislative Research Commission review alternative state and local funding mechanisms for the implementation of more effective solid waste management by local government throughout the Commonwealth including but not limited to:

(1) A state revolving loan fund for communities to construct efficient solid waste management facilities;

(2) A state grants program providing one hundred percent grants to local communities or partial grants to be matched by local funds or in kind services for implementation of more effective solid waste management activities;

(3) The most effective utilization of state and local government financing powers, including those in KRS Chapter 109;

(4) Determination of an equitable local tax or user fee system to support a solid waste disposal system;

(5) Creation of a state supervised technical advisory program to assist local governments in managing and operating more effective solid waste management programs; and

(6) Most effective utilization of federal funds in combination with state and local funds.

Section 2. That representatives from the Environmental Quality Commission, the Kentucky Association of Counties, the Kentucky Municipal League, the Kentucky Council of Area Development Districts, and the Department for Local Government serve as an advisory group to the appropriate interim joint committee in developing state and local funding mechanisms.

Section 3. That primary staff services be provided from the regular budget of the Legislative Research Commission and that staff from the Department for Natural Resources and Environmental Protection provide information to the appropriate Legislative Research Commission staff concerning the efforts of the department in accomplishing the objectives of the Federal Resource Conservation and Recovery Act of 1976.

Section 4. Pursuant to Senate Rule 62, it is estimated that the cost of staff and other services to be utilized in completing this study will amount to $7,000.

Motions, Petitions and Communications

Representative Wright moved the adoption of the following Legislative Citation No. 71:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Ms. Tena Leahy, the superior coach of the Girls' State Basketball Champions, the Butler Bearettes. As first year Coach at Butler, your superb record of 26-4 regular season reflects great leadership and hard work. With your outstanding experience you unified the Bearettes as a team resulting in a great victory. You have bestowed great honor upon your school and community. This body, the House of Representatives, applauds you and extends to you our very best wishes for happiness and success in the future. (Sponsored by Representative Wright)

Agreed.

Representative Wright moved the adoption of the following Legislative Citation No. 72:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Franklin County High School Girls' Basketball Team, "The Lady Flyers," and your outstanding coaches Miss Nancy Finney and Mr. Harold Miller, for your super and magnificent basketball performance. As runner-up in the State Tournament, "The Sweet 16" contest held at Eastern Kentucky University, March 19-22, 1980, you fulfilled the dream of every basketball player, a bid to the prestigious State Basketball Tournament. Your accomplishments are superior and a great tribute to you for Girls' Basketball was recently mandated by the General Assembly. In capturing the eleventh Regional Championship, you displayed great competency, determination and hard work. You have distinguished yourselves, given great inspiration, warming, electrifying and exciting the hearts of your school, community and the Commonwealth of Kentucky. You have generated a new enthusiasm and community solidarity by your exceptional and superfluous accomplishments—a most incredible record for a brief interim of participation. Coach Finney, a veteran coach of six years, your leadership qualities provided an adhesive base unsurpassed in team effort. This body joins the school and community in extending best wishes for future success. (Sponsored by Representative Hancock)

Agreed.

Representative Weinberg moved that Floor Amendments No. 1 and No. 2 be withdrawn from **SB 243.** Agreed.

Representative Weinberg moved the adoption of the Legislative Citation No. 74:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Knott County Central Lady Patriots Basketball Team and your coach, Mr. Samuel Smith, for winning the Girls' Fourteenth Region Basketball Tournament. Your excellent record of 23-6 reflects hard work and school loyalty. Your outstanding victory is an expressed manifestation of your high level of performance. This body, the House of Representatives, salutes you and extends our very best wishes for success in the Girls' "Sweet Sixteen" State Tournament at Eastern Kentucky University, Richmond, Kentucky, March 19-22, 1980. (Sponsored by Representative Weinberg)

Agreed.

Representative Weinberg moved the adoption of the following Legislative Citation No. 75:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Knott County Central Patriots Basketball Team and your coach, Mr. Bill Pratt, for your outstanding achievement of winning the Boys' Fourteenth Region Basketball Championship. We commend you for your great team effort, competition and competency demonstrated. We are proud of the distinction you brought to your school and community. This prestigious body extends our very best wishes for continued success in the Boys' "Sweet Sixteen" Tournament at Louisville, Kentucky, March 26-29, 1980. (Sponsored by Representative Weinberg)

Agreed.

Representative Yates moved the adoption of the following Legislative Citation No. 73:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Franklin County Cheerleader Squad, superior coach, Mrs. Rosemary Weddington, for your outstanding victory in the Cheerleaders' competition at the Eleventh Regional Basketball Tournament. You wore the crown of honor with exceptional pride and dignity that was depicted illustriously in your accomplishment. Your incredible record was a unique demonstration of your competency and efficiency. You reflect admirably the tenacity of a vibrant challenge. As morale boosters and compassionate helpers for stimulating basketball team members to a successful and dramatic performance, you are the greatest. Coach Weddington, your exceptional leadership, high standard of performance requiring the best at all times are most exemplary, productive and rewarding. Your exceptional skills and techniques provide an adequate base for your effective participation companioned by school loyalty and community service. Multiple awards and honors are a great tribute to you and emblematic of excellent team effort and personal sacrifice. We salute you for your high level of performance and extend our best wishes for your continuous victories. (Sponsored by Representative Hancock)

Agreed.

Representative Yates moved the adoption of the following Legislative Citation No. 76:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the super and magnificent Butler Bearettes Basketball Team and your superior coach Ms. Tena Leahy for your super and magnificent victory—capturing the State Tournament "The Sweet 16" contest held at Eastern Kentucky University, March 19-22, 1980. Your incredible record is far-reaching and the greatest and best of all accomplishments for it is the dream of every player aspiring for "The Sweet 16" Crown, a great tribute to you for Girls' Basketball was recently mandated by the General Assembly. You have excelled in all of the tournaments local, district, regional and the magnanimous state competition. You have generated a new enthusiasm and community solidarity by your exceptional and superfluous accomplishments—a most incredible record for a brief interim of participation. Coach Leahy your leadership qualities provided an adhesive base unsurpassed in team effort. This prestigious body salutes and applauds you for the pride and honor you have bestowed on your school by the demonstration of leadership, sportsmanship and superb athletic abilities. (Sponsored by Representative Yates)

Agreed.

Representative Boswell moved that he be recorded as voting "nay" on **HB 818.** Agreed.

Representative Boswell moved that he be recorded as voting "yea" on **HB 585.** Agreed.

Representative Farrow moved the adoption of the following Legislative Citation No. 77:

The House of Representatives of the Commonwealth of Kentucky hereby commends the Scott County High School Boys' Basketball Team and your excellent coach, Everette Varney for your outstanding 1979-80 season. Your record of 24-7 and the attainment of the Grant County Invitational Tournament and finishing second in the Eighth Region are truly commendable. This record reflects the most wins in the history of the school. We congratulate you for an outstanding season and your athletic endeavors have given the Scott County fans much excitement and enjoyment. This body applauds you for your fine accomplishments and the honor and pride you have bestowed on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Farrow)

Agreed.

Representative Robinson moved that the rules be suspended for report and act upon a Resolution. Agreed.

Representative Robinson moved the adoption of the following **HR 120:**

HR 120, A RESOLUTION federal and state laws and regulations which collectively hamper the transportation of coal.

WHEREAS, the transportation of coal is vital not only to the economy of the Commonwealth, and the quality of life of its citizens, but also to the increasing energy needs of the United States; and

WHEREAS, federal regulations on truck design and capacity and state provisions on axle weights, registration and methods of weighing vehicles suppress the transportation of coal and serve as a hardship on those whose income is derived from this service; and

WHEREAS, the dumping of loads, towing and impoundment of vehicles and penalties for violations of various motor carrier provisions serve to further harass those transporting coal; and

WHEREAS, many motor transportation companies are exempt from certain taxes or can pass along other taxes, these options are not available to coal transporters, providing an additional financial burden to this industry; and

WHEREAS, these statutes, regulations, taxes and policies inhibit the entire coal industry in the state and limit the growth of the economy of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is requested to study federal and state laws, regulations and policies which collectively hamper the transportation of coal.

Section 2. That copies of the completed study and recommendations be transmitted to the Director of the Legislative Research Commission, President Pro Tempore of the Senate, and the Speaker of the House of Representatives by October 1, 1981.

HR 120 was adopted by voice vote.

Representative Bennett moved that the rules be suspended to report and act upon a Resolution. Agreed.

Representative Bennett moved the adoption of the following **HR 127:**

HR 127, A RESOLUTION commending the working people of Kentucky who demonstrated their interests and concerns on March 19, 1980.

WHEREAS, the working force in America today is heavily laden with the problem of inflation; and

WHEREAS, the plight of the working individual is bleak during these recessionary and troubled times; and

WHEREAS, the cries of the American people for relief have too long fallen upon deaf ears in Washington; and

WHEREAS, the working people of Kentucky turned to their state representatives on March 19, 1980 to initiate some local relief from the pressing problems of the day; and

WHEREAS, union, as well as non-union, laborers united en masse to demonstrate their interests and concerns; and

WHEREAS, these honest, hard-working Kentuckians exhibited exemplary behavior for such a large gathering; and

WHEREAS, the orderly conduct of this large group was admirable;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body commends United Mine Workers President, Sam Church, as well as all the working people of Kentucky for demonstrating their interests and concerns on March 19, 1980 in such an orderly and peaceful manner.

Section 2. That the Clerk of the House be directed to transmit a copy of this Resolution to United Mine Workers President, Sam Church.

HR 127 was adopted by voice vote.

Representative Bennett moved that the rules be suspended to report and act upon **HR 128.**

On the roll call the vote was yeas 41-Adams, Arnold, Barrows, Bendl, Bennett, Boswll, Burch, Cawood, Clark, Crupper, Curd, Deskins, Donnermeyer, Farrow, Foster, Gray, Kidd, LeMaster, List, Little, Moberly, O'Brien, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, Riner, Robinson, Romines, Schmidt, Stone, Stumbo Thomason, Van Horn, White, Wilborn, Worthington. Nays 0.

The motion that the rules be suspended was rejected.

Representative Foster moved the adoption of the following Legislative Citation No. 78:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Lewisburg High School Varisty Cheerleader Squad and your excellent sponsor Ms. Brenda Harris of Lewisburg, Kentucky on their outstanding performance in the Logan County School District cheerleading competition. Your first place award was attributed to your superfluous gymnastic stunts which were executed with precision, poise and spirit. This was a grant occasion to receive this recognition for your school, county and Commonwealth of Kentucky because it is the first time in the Lewisburg School's history for this honor to have been bestowed on you. Your squad consisting of six cheerleaders and three male yell leaders is also noteworthy as the only squad of its kind in the Logan County Region and District. We extend best wishes to Sherri Kelly, Captain; Pam New, LaDonna Casebier, Lori Burditt, Malia Coursey, Vonda Coursey, cheerleaders, Jeff Moore, Kelly White and Tom Phillips, yell leaders on your fine display of leadership and enthusiastic school spirit. (Sponsored by Representative Lewis)

Agreed.

Representative Stumbo moved the adoption of the following Legislative Citation No. 79:

The House of Representatives of the Commonwealth of Kentucky hereby commends the Betsy Layne High School Boys' Basketball Team and your coaches, William Newsome, Jr. and Malcolm Layne, as winners of the fifteenth Regional Basketball Tournament. Your victory reflects hard work, school loyalty and your athletic excellence as a team are to be commended. This prestigious body extends our hope that throughout the course of your future education and life that the winning attitude you have exhibited aid each of you in all future endeavors. We extend our best wishes for continued success in the boys' "Sweet Sixteen" Tournament in Louisville, Kentucky, March 26-29, 1980. (Sponsored by Representative Stumbo)

Agreed.

Representative B. Richardson moved that when the House adjourns, it do so by voice vote. Agreed.

Representative B. Richardson moved that when the House recesses, it do so until 7:45 p.m. Agreed.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 2 to **SB 25,** by Representative Hancock:

Amend printed copy of **SB 25,** page 2, line 1, by inserting the following:

This Act shall not be construed as a limitation on or in derogation of any municipal power or function otherwise provided by statue.

Floor Amendment No. 2 to the Committee Substitute to **HB 931,** by Representatives Priddy, Romines, Bennett and Dunn:

Amend printed copy of Committee Substitute to **HB 931,** page 104, after line 16, by adding the following:

"e. Jefferson Community College Southwest

Auditorium/classroom wing

Bond Fund	$1,400,000."

And by relettering each lettered subsection of "2. University of Kentucky" acordingly.

Floor Amendment No. 3 to the Committee Substitute to **HB 931,** by Representatives Priddy, Romines, Bennett and Dunn:

Amend printed copy of Committee Substitute to **HB 931,** page 104, after line 16, by adding the following:

"e. Jefferson Community College Southwest

Auditorium/classroom wing

General Fund	$1,400,000."

And by relettering each lettered subsection of "2. University of Kentucky" accordingly.

Floor Amendment No. 4 to the Committee Substitute to **HB 931,** by Representative Noe:

Amend printed copy of Committee Substitute to **HB 931,** page 54, after line 24, by adding the following:

"Included in the above appropriation is $2,794,000 for fiscal year 1980-81 and $2,952,800 for fiscal year 1981-82 for the Mine Safety Analysis Program."

Floor Amendment No. 5 to the Committee Substitute to **HB 931,** by Representative Noe:

Amend printed copy of Committee Substitute for **HB 931,** page 8, after line 10 by inserting the following:

"g. Coal Miners Pneumoconiosis Fund

1980-81	$4,000,000
1981-82	$4,000,000

Any unexpended balance at the close of the 1980-81 fiscal year shall not lapse, but shall continue into the 1981-82 fiscal year." and by deleting lines 13 and 14 and inserting in lieu thereof the following:

"1980-81	$37,351,000
1981-82	$93,609,200"

Floor Amendment No. 7 to the Committee Substitute to **HB 968,** by Representative Jones:

Amend printed copy of Committee Substitute for **HB 968,** page 5, line 15, after the word "to" and before the word "limestone" by inserting the following:

rock, limestone or gravel used for privately maintained but publicly dedicated roads or

Floor Amendment No. 5 to **SB 102,** by Representative Schmidt:

Amend printed copy of **SB 102,** page 5, line 1, after the word "Court." by inserting the following:

"Section 4. KRS 21.400 is amended to read as follows:
(1) A member who retires on or after his normal retirement date shall receive a service retirement allowance, payable monthly during his lifetime, in an amount per month equal to *two and seventy-five hundredths percent (2.75%)* [four and fifteen one hundredths percent (4.15%)] of his final compensation multiplied by the number of years of his service, but in no event to exceed one hundred percent (100%) of final

compensation, except that for any service performed while a member prior to July 1, 1978, any service prior to July 1, 1962 creditable under KRS 21.345, and any service performed in continued membership (or allowable under KRS 21.410 or 21.420) after June 30, 1978, by a person who was a member on that date, the monthly percentage figure shall be five percent (5%) *of his final compensation multiplied by the number of years of his service, and except that for any service performed by a member who elected membership at an annual accrual rate of four and fifteen one hundredths percent (4.15%) and for any service performed in continued membership thereafter (or allowable under KRS 21.410 through 21.420), the benefit, payable monthly during his lifetime shall be an amount equal to four and fifteen one hundredths percent (4.15%) of his final compensation multiplied by the number of years of his service*, and except that allowances heretofore granted, and rights related thereto, shall not be affected by the 1978 *or 1980 amendments* [amendment] to this section. For this purpose, "final compensation" means the average monthly compensation of the member for the sixty (60) months of service immediately preceding his retirement, including, in the case of a circuit judge, compensation received as special commissioner of the former Court of Appeals. If, at the time of retirement or death of a member his total period of service in one or more positions covered by the system has not amounted to sixty (60) months, his "final compensation" shall be computed as if he had served in the first position he occupied under the system for such period of time as to bring his total service (in all positions) to sixty (60) months. If that category of position was not in existence for that period, it shall be treated as though it had been in existence for that period and as if the compensation paid for the presumed period of existence was at the rate provided for the category when it in fact first was created.

(2) A member who retires before his normal retirement date shall be vested with the right to receive, when he reaches his normal retirement age, a service retirement allowance computed and payable in accordance with the provisions of subsection (1) of this section, on the basis of the number of years of his actual service.

(3) In lieu of the right provided for in subsection (2) of this section, a member who retires before his normal retirement age may elect, at any time before reaching his normal retirement age, to be paid commencing as of the time of the election a monthly service retirement allowance equal in amount to the monthly allowance that would have become payable under subsection (2) of this section when he reached his normal retirement age, reduced actuarially in accordance with his actual age at the time the election is made."

And on page 5, line 2, by deleting after the word "Section"the numeral "4"and inserting therefor the following: "5";

And on page 5, line 5, by deleting after the word "Section" the numeral "5" and inserting therefor the following: "6";

And on page 5, line 10, by deleting after the word "Section" the numeral "6" and inserting therefor the following: "7".

Floor Amendment No. 6 to the Committee Substitute to **HB 931,** by Representative Schmidt:

Amend printed copy of Committee Substitute for **HB 931,** page 19, line 6, by deleting the figure "$5,247,100" and substituting in lieu thereof the following: "$1,002,100"

And by deleting lines 7, 8, and 9 in their entirety;

And on page 23, line 2 by deleting the figure "$54,910,300" and substituting in lieu thereof the following: "$50,665,300".

On page 97 by deleting lines 25 and 26 in their entirety

And on page 98 by deleting lines 1 through 9 in their entirety.

On page 97, after line 24, by renumbering all sections under "B. Development" accordingly.

And on page 124 by deleting lines 10 through 20 in their entirety.

Floor Amendment No. 1 to **SB 166** by Representative Priddy:

Amend printed copy of **SB 166,** page 2, line 17, after the word "selection" by inserting the following language:

"Section 2. KRS 177.081 is amended to read as follows:

(1) The Commonwealth of Kentucky, bureau of highways, when it has, by official order, designated the route, location or relocation of a highway, limited access highway, bridge, roadside park, borrow-pit, quarry, garage or other property or structure deemed necessary for the construction, reconstruction, or maintenance of an adequate system of highways, may, if unable to contract or agree with the owner or owners thereof, condemn the lands or material, or the use and occupancy of the lands designated as necessary. All property acquired by the Commonwealth of Kentucky, bureau of highways, shall be in fee simple whenever so specified in the petition filed in the action. The official order of the bureau of highways shall be conclusive of the public use of the condemned property and the condemnor's decision as to the necessity for taking the property will not be disturbed in the absence of fraud, bad faith, or abuse of discretion.

(2) *Any property purchased or otherwise acquired by the bureau of highways for the purpose of construction or reconstruction of a road, street, or highway shall be cleared and maintained by the bureau of highways from the time or acquisition until such property is no longer owned by the bureau.*

(3) The proceedings for condemnation shall be as provided in the Eminent Domain Act of Kentucky."

Floor Amendment No. 3 to **SB 25,** by Representative Donnermeyer:

Amend printed copy of **SB 25,** page 8, between lines 6 and 7, by inserting the following:

"SECTION 11. A NEW SECTION OF KRS CHAPTER 91A IS CREATED TO READ AS FOLLOWS:

Notwithstanding any other provision in this Act, all rights of the utilities providing utility services in any area annexed by a city prior to the annexation, existing under other statutes, laws, or regulations are hereby expressly preserved."

And on page 8, line 7, by deleting "Section 11" and inserting in lieu thereof "Section 12".

Floor Amendment No. 10 to the Committee Substitute to **HB 968,** by Representative Donnermeyer:

Amend printed copy of Committee Substitute for **HB 968,** page 18, after line 7, by adding Section 20.

Athletic event ticket sales of grades one through twelve are exempted from sales and use tax.

Floor Amendment No. 58 to **HB 532,** by Representative Clapp:

Amend printed copy of **HB 532,** page 68, lines 4 and 5, by deleting "*two hundred eight (208)*" and inserting in lieu thereof "*four hundred sixteen (416)*"

On page 86, after line 10, by inserting the following new Section 43:

"SECTION 43. A NEW SECTION OF KRS CHAPTER 342IS CREATED TO READ AS FOLLOWS:

On the effective date of this Act, the average insurance rate level for workers' compensation benefits required by this chapter shall be reduced by not less than twenty-five percent (25%) from the average rate level in effect immediately prior to such date. Such reduced rates shall remain in effect for at least one (1) year. There shall be no exception to the requirements of this section unless the commissioner of insurance shall find that an intervening statutory change has caused such rates to be inadequate as defined under Chapter 304 of the Kentucky Revised Statutes. In such event, the commissioner may call for a public hearing pursuant to KRS 304.13 to determine an appropriate rate level."

And renumber remaining section accordingly.

Floor Amendment No. 59 to **HE 532** by Representative Clapp:

Amend printed copy of **HB 532,** page 1, lines 1 to 21, by deleting same; and on

Page 2 to 28 by deleting same; and on

Page 29, lines 1 to 17 by deleting same; and on

Page 29, line 18 by renumbering Section 24 to read Section 1; and on

Page 35, line 2 by deleting "*occupational*"; and on

Page 35, line 8 by deleting "*or*"; and on

Page 35, line 9 by deleting "["; and on

Page 35, line 13 by deleting "]"; and on

Page 35, line 14 by deleting "*a rebuttable* ["; and by deleting "]"; and on

Page 35, line 15 by deleting "[ ]" around the word "totally"; and on

Page 37, line 17 by deleting "*hearing officer*"; and on

Page 37, line 18 by deleting "[ ]" around the word "board"; and on

Page 38, line 12 by placing "[ ]" around the words "non-coal worker's"; and on

Page 38, line 25 by placing "[ ]" around the words "non-worker's"; and on

Page 40, lines 6 to 26 by deleting same; and on

Page 41 to 44 by deleting same; and on

Page 45, lines 1 to 13 by deleting same; and on

Page 45, line 14 by renumbering Section 27 to read Section 2; and on

Page 46, line 25 before the word "and" by inserting "["; and on

Page 47, line 1 after the word "chapter" by inserting "]"; and on

Page 47, lines 9 to 26 by deleting same; and on

Pages 48 and 49 by deleting same; and on

Page 50, lines 1 to 5 by deleting same; and on

Page 50, line 6 by renumbering Section 33 to read Section 3; and on

Page 50, lines 25 and 26 by deleting same; and on

Page 51 to 66 by deleting same; and on

Page 67, lines 1 to 10 by deleting same; and on

Page 67, line 11 by renumbering Section 39 to read Section 4; and on

Page 67, line 16 by deleting "*a functional disability which results in*"; and on

Page 67, line 17 by deleting "*occupational*"; and on

Page 67, line 18 after the word "wage" by adding "*, but not more than seventy-five percent (75%) of the state average weekly wage and not less than twenty percent (20%) of the average weekly wage as determined in KRS 342.740*"; and on

Page 67, lines 18 and 19 by deleting "*as limited by KRS 342.740,*"; and on

Page 67, lines 19 by deleting "*until the employe becomes*"; and on

Page 67, lines 20 to 26 by deleting same; and on

Page 68, lines 1 to 4 by deleting same; and on

Page 68, line 5 by deleting "*hundred eight (208) weeks.*" and inserting in lieu thereof "*For*"; and on

Page 68, line 6 before the word "partial" by inserting "]"; and on

Page 68, after line 17 by adding "*but not more than seventy-five percent (75%) of the state average weekly wage as determined* ["; and on

Page 68, line 18 after the word "contained" by inserting "]"; and on

Page 68, line 20 after the word "disease" by inserting "*and such weekly benefits shall be paid during the disability, but not longer than four hundred twenty-five (425) weeks*" and by deleting "]"; and on

Page 68, line 24 before "(c)" by inserting "["; and on

Page 72, line 2 by deleting "]"; and on

Page 72, lines 3 to 26 by deleting same; and on

Page 73, lines 1 to 21 by deleting same; and on

Page 73, line 22 by deleting "*compensation act.* ["; and on

Page 77, line 14 before "(3)" by inserting "*(2)* ["; and after "(3)" by inserting "]"; and on

Page 77, line 26 before "(4)" by inserting "*(3)* [" and after "(4)" by inserting "]"; and on

Page 78, line 25 by renumbering Section 40 to read Section 5; and on

Page 79, line 1 to 4 after "(1)" by deleting same; and on

Page 79, line 5 by deleting "*herein, whichever is less.*"; and on

Page 79, line 13 by bracketing "(2)"; and on

Page 80, line 7 before "(3)" by inserting "*(2)* [" and after "(3)" by inserting "]"; and on

Page 80, lines 19 to 26 by deleting same; and on

Pages 81 to 86 by deleting same and by inserting in lieu thereof:

"SECTION 6. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

On the effective date of this Act, the average insurance rate level for workers' compensation benefits required by this chapter shall be reduced by not less than twenty-five percent (25%) from the average rate level in effect immediately prior to such date. Such reduced rates shall remain in effect for at least one (1) year.

SECTION 7. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

On the effective date of this Act, any unfunded liability in the coal workers' pneumoconiosis fund shall be assumed by the special fund.

SECTION 8. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The revisor of statutes is directed to change the words "workmen's compensation" to "workers' compensation" wherever they appear in the Kentucky Revised Statutes.

Section 9. The following sections of the Kentucky Revised Statutes are repealed:

342.317 Coal miners' pneumoconiosis fund.

342.800 Application to claims — Filing under federal coal mine health and safety act."

Floor Amendment No. 2 to **SB 210,** by Representative DeFalaise:

Amend printed copy of **SB 210,** page 6, line 17, by adding the following new section:

"Section 5. KRS 67A.020 is amended to read as follows:
(1) Upon a petition filed with the county clerk and signed by a number of registered voters equal to 5 per cent of voters of the county voting in the immediate past general election, and, upon additional petitions equal to the number of municipal corporations within the county, filed with the county clerk and signed by a number of registered voters equal to 5 per cent of the number of voters of each municipal corporation, voting in the immediate past general election, requesting a referendum be held on the question of adopting the urban county form of government, *there shall be established* [the fiscal court and the council of the largest city within the county shall appoint] a representative commission [composed of not less than twenty (20) citizens] which shall devise a comprehensive plan of urban county government.
(2) Members of the commission shall be appointed as follows:
(a) If there is only one class of cities in the county, the executive authorities of the cities in that class shall appoint ten (10) members who are residents of those cities.
(b) If there are two or more classes of cities in the county, the executive authorities of the cities of each class shall appoint two (2) members who are residents of that class.
(c) The fiscal court of the county shall appoint a number of members equal to the number appointed by the executive authorities of the cities in the county.
(3) The plan shall include a description of the form, structure, functions, powers and officers and their duties of the proposed urban county government; the procedures by which the original plan may be amended; and such other provisions as the commission shall determine; and shall be consistent with the provisions of the Constitution of Kentucky.
(4) When the commission has adopted a plan in accordance with subsection (3) of this section, the [This] plan shall be advertised at least ninety (90) days before a general election at which the voters will be asked to approve or disapprove the adoption of the plan. The ballots shall be counted, returns made and canvassed as in other elections, and the results shall be certified by the county board of election commissioners to the county clerk.
(5) (a) To become effective, in a county which contains only one class of city, the proposed plan must be approved by a majority of those voting.
(b) To become effective in a county which contains two or more classes of cities, the proposed plan must be approved by a majority of those voting in a majority of the cities of each class and by a majority of those voting in the unincorporated area and by a majority of those voting in the county as a whole.
(c) Upon approval by the voters as described above and certification of the election results [If it appears that a majority of those voting are in favor of adopting the plan], the commissioners shall enter such fact of record and shall organize the urban county government.

Floor Amendment No. 8 to the Committee Substitute to **HB 968,** by Worthington:

Amend printed copy of Committee Substitute for **HB 968,** page 4, after line 14, by adding the following:

"(9) "Agricultural processes" shall include but not be limited to limestone used for private road maintenance, fertilizer base materials, or production of crops in the Commonwealth of Kentucky." and

On page 4, line 15, by renumbering "(9)" to "(10)".

Floor Amendment No. 12 to **SB 140,** by Representative Johnson:

Amend printed copy of **SB 140,** page 2, line 18, by adding new section (5) By deleting the county of Daviess from this Act.

Floor Amendment No. 1 to **SB 365,** by Representative Wilborn:

Amend printed copy of **SB 365,** page 8, after line 6 by adding the following:

"Section 7. KRS 27A.210 is amended to read as follows:
(1) The following books and records shall be maintained by the state law library:
(a) All copies of volumes 1 to 77 of the Kentucky reports;
(b) Twenty-five (25) copies each of volumes 78 to 314 of the Kentucky reports;
(c) *Two (2)* [Six (6)] sets [each] of all future publications of the journals and *six (6) sets of all future publications of the* acts of the general assembly; and
(d) Two (2) sets of the official Kentucky statute publications.

(2) [The state law librarian shall arrange with the proper official of each state of the United States and of the United States and its territories for the exchanges of the statutes and the acts of the legislatures of each state and of congress. When an exchange is agreed upon, the state law librarian shall send to such officer one (1) copy of the acts of the general assembly and one set of statutes as soon as they are ready for distribution.

(3) Copies of acts, statutes and other materials required to be kept by the state law librarian and to be made available for exchange shall be furnished to the state law librarian, without charge, by the agency or official responsible for the distribution of same.

(4)] The state law librarian may arrange for the distribution or disposal of materials held by the state law library upon concurrence of the administrative assistant to the chief justice responsible for law library operations.

(3)[(5)] The state law librarian may acquire, by purchase, exchange, donation, or otherwise, such books and other materials as he deems suitable for the holdings of the state law library.

(4)[(6)] The state law librarian may, with the concurrence of the administrative assistant to the chief justice responsible for law library operations, sell such surplus books in the state law library as have a market value, collect the funds received therefor, and deposit them in the "state law library surplus books fund," which is hereby created in the state treasury. The "state law library surplus books fund" shall not lapse. The state law librarian may reinvest such funds in other books and materials that he deems suitable for the holdings of the state law library. The provisions of KRS 45.360(7) concerning the powers and duties of the executive department for finance and administration shall not apply to sales made by the state law librarian hereunder.

(5)[(7)] The state law librarian may, with the concurrence of the administrative assistant to the chief justice responsible for law library operations, offer and provide technical and other assistance to county law libraries and to other publicly funded law libraries.

(6)[(8)] The state law librarian may, upon the request of a county law library or other publicly funded law library and with the concurrence of the administrative assistant to the chief justice responsible for law library operations, purchase books, supplies, or other materials for such library. The funds used for such purposes shall be those of the county law library or other publicly funded law library.

(7)[(9)] The state law librarian shall issue, with the concurrence of the administrative assistant to the chief justice responsible for law library operations, regulations for the operation, management, and lending policy of the state law library."

Floor Amendment No. 8 to the Committee Substitute to **HB 931,** by Representative Wilborn:

Amend printed copy of Committee Substitute to **HB 931,** page 36, by inserting after line 21:

"*Any fund appropriated in the 1980-82 biennium in excess of continuation debt service and operations, including any uncommitted carry forward funds from the previous biennium, shall be committed first for debt service on new bond issues or bond anticipation notes, which generate funds for construction of school facilities in those districts which have levied a tax sufficient to fully participate in the power equalization program but are unable, without assistance from the authority, to finance the construction necessary to obtain an accreditation rating above a basic school or to relieve an emergency situation resulting from a calamity or other unusual situation. If additional funds are available, priority for funding shall be given to those districts where the square foot needs/per pupil cost is greatest and the district has levied the maximum general fund tax not subject to recall under KRS 160.470 and is eligible for full participation in the power equalization program. In all cases, funds shall be provided only for that portion of a bond issue which cannot be financed by the district for its first priority construction.*"

Floor Amendment No. 7 to the Committee Substitute to **HB 931,** by Representative McNutt:

Amend printed copy of Committee Substitute for **HB 931,** page 125, between lines 12 and 13 by inserting the following:

The Legislative Research Commission shall cause to be conducted an audit of the capital construction fund for the period, July 1, 1970 through July 1, 1980. The audit shall be a full governmental audit conducted according to governmental accounting standards and shall include the financial, statutory compliance, and program aspects of the capital construction fund. The audit shall include, but not be limited to, the following information:

(1) A complete list and summary description of every capital construction project and major item of equipment approved during the period July 1, 1970 through July 1, 1980 that is not completed on the effective date of this Act;

(2) For each project and item of equipment, as of July 1, 1980;

(3) The project phase;

(4) The project account number, project name, and any other term employed to identify the project or item;

(5) The available balance in the project or item account, and any sums considered available for that project or item;

(6) A statement of the transfers of funds to or from the project, item, or project or item account; and, the project or item account, or account, to which transfers from each project or item, project or item account, or account has been made;

(7) The year in which the project or item was approved, with specific reference to the legislation by which the project or item was approved;

(8) Total expenditure on the project or item;

(9) A statement that the project of item is either active or inactive;

(10) The current estimated completion cost, including the amount required for annual inflation;

(11) A statement that additional funds for the completion of the project or item are or are not required; and if required, why sufficient funds for completion are not available;

(12) Justification for the project or item;

(13) The balance in the appropriated, but unallotted account; and the balance in any account, however designated, that contains appropriated, but unallotted funds.

Every department, agency and other units of state government shall cooperate fully with the firm selected to conduct this audit.

Floor Amendment No. 9 to the Committee Substitute to **HB 931,** by Representative Dawahare:

Amend printed copy of Committee Substitute for **HB 931,** page 8, after line 5, by inserting the following:

"1980-81 .... $10,000,000"

And on page 23, line 1, by deleting the figure "$44,803,200" and inserting in lieu thereof the following: "$39,803,200"

And on page 96, line 15 by deleting the last figure of "$5,000,000".

Floor Amendment No. 3 to **SB 44,** by Representative Bruce:

Amend printed copy of **SB 44,** page 4, by deleting in their entirety lines 14 through 19

On page 4, line 20, by deleting "4" after the word "Section" and inserting in lieu thereof "3"

On page 9, line 24, by deleting "5" after the word "Section" and inserting in lieu thereof "4"

On page 12, line 8, by deleting "6" after the word "Section" and inserting in lieu thereof "5"

Floor Amendment No. 5 to **SB 26,** by Representative Morris:

Amend printed copy of **SB 26,** page 3, line 15, by deleting the words "through 87"

On page 3, line 17, by inserting between the words "city" and "presently" the following: "except any city of the third class"

On page 3, line 18, by deleting the words: "KRS Chapter 88 and"

On page 3, line 20, by inserting between the words "city" and "presently" the following: "except any city of the third class"

On page 4, after line 2, create a new subsection to read as follows: "(3) The provisions of this Act shall not apply to any city of the third class, whether organized under KRS Chapters 85 through 88 or under KRS Chapter 89."

On page 4, line 12, by deleting the words "third"

On page 4, line 13, beginning on line 13, by deleting in its entirety paragraph (c) of subsection (1).

On page 42, beginning on line 18, by deleting all words and figures which appear through page 46, line 7.

On page 50, beginning on line 25, by deleting all words and figures which appear through page 51, line 2.

On page 50, by deleting line 7 in its entirety.

On page 50, lines 10 through 13, by deleting in their entirety.

On page 50, lines 16 through 26, by deleting in their entirety.

On page 51, beginning at line 20, by deleting in its entirety everything which follows through page 53, line 12.

Floor Amendment No. 10 to the Committee Substitute to **HB 931,** by Representative LeMaster:

Amend printed copy of Committee Substitute for **HB 931,** page 45, line 26, by inserting after the word "Department," the following:

"In fiscal years 1980-81 and 1981-82, the Bourbon County Child Development Day Care Center shall receive at least the same amount of General Funds in its subcontract with the Bluegrass Mental Health-Mental Retardation Board as in the current fiscal year (FY '80)."

And on page 85, line 21, after the word "Department," by inserting the following:

"In fiscal years1980-81 and 1981-82, the Bourbon County Child Development Day Care Center shall receive at least the same amount of federal funds in its subcontract with the Bluegrass Mental Health-Mental Retardation Board as in the current fiscal year (FY '80)."

Floor Amendment No. 11 to the Committee Substitute to **HB 931,** by Representative Dawahare:

Amend printed copy of Committee Substitute for **HB 931,** page 36, line 21, after "biennium." by inserting the following:

"From the revenues produced by the enactment of House Bill 968 there is appropriated for fiscal 1980-81 $2,000,000 and for fiscal 1981-82 $2,000,000 to the Kentucky School Building Authority in addition to any other appropriation made by the General Assembly to the School Building Authority.

Monies allotted to the School Building Authority under this Act shall be for the construction of school buildings and for school building additions pursuant to regulations of the School Building Authority and specifically for school districts in which: (a) the equalized assessed value per pupil in average daily attendance falls in the lower 26 percent of all the state's school districts assessed valuation per pupil in average daily attendance, or (b) the district requires space for classrooms as a result of an emergency situation.

Any school district receiving assistance under the provisions of this section shall in the year it receives assistance, levy a general fund ad valorem tax equal to the average general ad valorem tax levied by all school districts and the tax levying authority of a district receiving assistance under the provisions of this Act is authorized to levy a general fund ad valorem tax equal to the average ad valorem tax levied by all the school districts in the state."

Floor Amendment No. 12 to the Committee Substitute to **HB 931,** by Representative Dawahare:

Amend printed copy of Committee Substitute for **HB 931,** page 36, line 21, after "biennium." by inserting the following:

"From the revenue produced by the enactment of House Bill 970 there is appropriated for fiscal 1980-81 $2,000,000 and for fiscal 1981-82 $2,000,000 to the Kentucky School Building Authority in addition to any other appropriation made by the General Assembly to the School Building Authority.

Monies allotted to the School Building Authority under this Act shall be for the construction of school buildings and for school building additions pursuant to regulations of the School Building Authority and specifically for school districts in which: (a) the equalized assessed value per pupil in average daily attendance falls in the lower 26 percent of all the state's school districts assessed valuation per pupil in average daily attendance, or (b) the district requires space for classrooms as a result of an emergency situation.

Any school district receiving assistance under the provisions of this section shall in the year it receives assistance, levy a general fund ad valorem tax equal to the average general ad valorem tax levied by all school districts and the tax levying authority of a district receiving assistance under the provisions of this Act is authorized to levy a general fund ad valorem tax equal to the average ad valorem tax levied by all the school districts in the state."

Floor Amendment No. 13 to the Committee Substitute to **HB 931,** by Representative Richards:

Amend printed copy of Committee Substitute for **HB 931,** page 132, line 4, by adding the following after the word "Governor.": "Of the $25,000,000 identified herein, up to a maximum of $3,000,000 each fiscal year is hereby appropriated to the Kentucky School Building Authority for debt service payments."

Floor Amendment No. 15 to the Committee Substitute to **HB 931,** by Representative Dawahare:

Amend printed copy of Committee Substitute for **HB 931,** page 833, after line 5, by inserting the following:

"1980-81 .... $10,000,000";

and by inserting on line 7 after the word "appropriation" the following: "for fiscal year 1981-82"

And by inserting after line 10 the following:

"In the event that the proceeds from the coal severance or processing tax levied pursuant to KRS Chapter 143 exceeds $177,600,000 for fiscal year 1979-80, $10,000,000 of such excess shall be appropriated for fiscal year 1980-81 as indicated above."

Floor Amendment No. 9 to the Committee Substitute to **HB 968,** by Representative Worthington:

Amend printed copy of Committee Substitute for **HB 968,** page 4, line 15, after the word "agricultural" by deleting the word "processes" and inserting in lieu thereof "purposes"

Floor Amendment No. 2 to **SB 21,** by Representative Donnermeyer:

Amend printed copy of **SB 21,** page 2, after line 12, by inserting the following:

"A New Section of KRS Chapter 81A is created to read as follows:

Notwithstanding any other provision in this Act, all rights of the utilities providing utility services in any area annexed by a city prior to the annexation, existing under other statutes, laws, or regulations are hereby expressly preserved.

Floor Amendment No. 2 to **SB 125,** by Representative Robinson:

Amend printed copy of **SB 125**, page 1, line 3, by inserting "*(1)*" before the word "*The*"

Page 2, line 8, after the period by inserting "*(2) Any charitable organization operation bingo or similar lotteries shall be denied non-profit and taxfree status under the laws of the Commonwealth.*"

Floor Amendment No. 1 to **SB 193**, by Representative Burch:

Amend printed copy of **SB 193**, page 19, after line 23 and before line 24 by adding a new subsection as follows:

"(3) None of the provisions in this Chapter shall apply to a dental laboratory or dental laboratory technician performing dental laboratory technology and related services solely for the benefit of his own patients."

Floor Amendment No. 14 to the Committee Substitute to **HB 931**, by Representative Stumbo:

Amend printed copy of Committee Substitute for **HB 931**, page 21, line 3, by deleting the figure "$500,000" and inserting in lieu thereof the figure "$450,000";

And on line 4, by deleting the figure "$500,000" and inserting in lieu thereof the figure "$450,000";

And by inserting after line 9 the following:

"Also included in the above appropriation is $50,000 in fiscal year 1980-81 and $50,000 in fiscal year 1981-82 for the development of tourism in Appalachia. These monies may be expended for the planning, development, and execution of projects and designed to promote tourism in and advertise the positive aspects of the appalachian region of eastern Kentucky, which region shall be defined as the forty-nine (49) counties incorporated into the appalachian regional commission. The monies shall be administered by the commissioner of tourism, who shall consult with representatives of the area development district, tourism industries and local officials in the region, to determine the needs of the area in promoting tourism.

Floor Amendment No. 1 to **HB 245**, by Representative Worthington:

Amend printed copy of **HB 245**, page 6, following line 4 by adding the following: "Section 2. In order to fund the pilot project established by this Act, there is appropriated $20,000 from the General Fund to the covered wooden bridge authority for the counties of Bracken, Fleming, Lewis, Mason and Robertson to be allotted after approval of the program of the authority by the commission."

Floor Amendment No. 2 to **HB 245**, by Representative Worthington:

Amend printed copy of **HB 245**, page 1, by deleting lines 7 through 15 and inserting in lieu thereof the following:

"(2) The department of transportation shall maintain all covered wooden bridges in the Commonwealth which are on public roads and open to vehicular traffic. The department shall maintain the bridges for safety and for historical and aesthetic beauty. The department shall prepare estimates of the cost of maintaining covered wooden bridges which are on public roads and open to vehicular traffic and shall identify and include the total of these estimates in its biennial budget request."; and

On page 2 by deleting lines 5 through 13 and inserting in lieu thereof the following:

"(5) The department of parks shall be responsible for all covered wooden bridges located in the Commonwealth which are on public property and no longer open to vehicular traffic. The department shall maintain these bridges in sound structural condition and for historical and aesthetic beauty. The department shall prepare estimates of the cost of maintaining covered wooden bridges for which it has a responsibility and shall identify and include the total of these estimates in its biennial budget request."; and

On page 2 by deleting lines 14 through 18 and inserting in lieu thereof the following:

"(6) When an appropriation is made to a covered wooden bridge authority created under the provisions of this Act, the department shall transfer the obligation of maintenance for the bridges designated in the appropriation to that authority."

Floor Amendment No. 16 to the Committee Substitute to **HB 931,** by Representative Dawahare:

Amend printed copy of Committee Substitute for **HB 931,** page 36, line 21 after "biennium." by inserting:

"There is appropriated from the General Fund for fiscal 1980-81 $2,000,000 and for fiscal 1981-82 $2,000,000 to the Kentucky School Building Authority in addition to any other appropriation made by the General Assembly to the School Building Authority for the purpose of the construction of school buildings and for school building additions pursuant to regulations of the School Building Authority and specifically for school districts in which: (a) the equalized assessed value per pupil in average daily attendance falls in the lower 26 percent of all the state's school districts assessed valuation per pupil in average daily attendance, or (b) the district requires space for classrooms as a result of an emergency situation.

Any school district receiving assistance under the provisions of this section shall in the year it receives assistance, levy a general fund ad valorem tax equal to the average general ad valorem tax levied by all school districts and the tax levying authority of a district receiving assistance under the provisions of this Act is authorized to levy a general fund ad valorem tax equal to the average ad valorem tax levied by all the school districts in the state."

Floor Amendment No. 2 to **SB 193,** by Representative Yates:

Amend printed copy of **SB 193,** page 2, after line 12, by inserting the following new subsection:

"(7) "Dental prosthetic auxiliary" means a dental laboratory technician who, under the direct supervision of a licensed dentist, provides dental laboratory technology and related intra-oral services for the patients of a licensed dentist." and

On line 13 by renumbering the remaining subsections accordingly.

Floor Amendment No. 3 to **SB 193,** by Representative Bennett:

Amend printed copy of **SB 193,** beginning at page 14, line 26, by deleting all of line 26.

And on page 15, by deleting lines 1, 2, 3, and 4.

Floor Amendment No. 70 to **HB 532,** by Representative Deskins:

Amend printed copy of **HB 532,** page 9, line 9, by deleting, "*a substantial*"; on line 10, by deleting "*medical or occupational*"; lines 18 and 19, by deleting "*in the same manner as provided for an initial proceeding hereunder but*";

On page 10, following line 7, by inserting:

"*(3) The board shall review all previous awards or orders granting or awarding permanent partial disability benefits, commencing such review ninety (90) days prior to the tenth anniversary date of the last award or order granting the entitlement to permanent partial disability benefits. Review under this subsection shall be made by the board after notice has been given to the interested parties and said review shall not affect the previous order or award as to any sums already paid thereunder. However, benefit payments shall not be suspended during the pendency of such reopening procedure. In no event shall awards for weekly benefits for permanent partial disability extend beyond the employe's 65th birthday, unless the employe has received less than five years of benefits.*

(4) Where the board, after review, modifies a partial disability benefit award previously entered, said modification is limited to consideration of an increase, continuation of the same award, or decrease of partial disability benefits for the next five hundred twenty (520) week period."

Floor Amendment No. 71 to **HB 532,** by Representative Deskins:

Amend printed copy of **HB 532,** page 35, line 8, by deleting "*or*"; line 9, by deleting "["; line 13, by deleting "]"; line 14, by deleting "*a rebuttable*" and deleting brackets around "an irrebutable"; and line 15, by deleting brackets around "totally".

Floor Amendment NO. 72 to **HB 532,** by Representative Deskins:

Amend printed copy of **HB 532,** page 51, lines 4 and 5, by deleting "*arising out of an in the course of the employment*".

Floor Amendment No. 73 to **HB 532,** by Representative Deskins:

Amend printed copy of **HB 532,** page 51, lines 3 and 4, by deleting "*physical*".

Floor Amendment No. 74 to **HB 532,** by Representative Johnson:

Amend printed copy of **HB 532,** page 29, following line 17, by inserting the following new "Section 24";

"Section 24. KRS 342.305 is amended to read as follows:"

Floor Amendment No. 3 to **HB 863,** by Representative Blandford:

Amend printed copy of **HB 863,** on page 1, line 11, by inserting after the word "or" the words ", in the case of radioactive materials, within or"; and

On page 1, line 21, by inserting at the end of the line the following "radioactive material or the intrastate transport of other"; and

On page 2, line 1, by deleting the words "who are not" and inserting in lieu thereof a period "."; and

On page 2, by deleting lines 2-3 in their entirety; and

On page 2, line 8, by inserting after the word "waste" the following language:

", but shall not include agricultural wastes, coal mining wastes, utility wastes (fly ash, bottom ash, scrubber sludge), sludge from water treatment and sewage treatment facilities, cement kiln dust, gas and oil drilling muds, oil production brines or waste oil"; and

On page 3, line 14, by inserting after the word "all" the words "radioactive materials and the intrastate transport of other"; and

On page 6, line 5, by inserting before the word "material" the word "radioactive"; and

On page 6, lines 6-7 by deleting the words "designated as a hazardous material"; and

On page 6, following line 9 by inserting the following:

"(2) Effective January 1, 1981, no person involved exclusively in the intrastate movement of materials shall haul, transport, or cause to be transported on any public way or railroad system within the Commonwealth any hazardous material unless such person holds a valid permit or certificate issued by the department or its designated agent." and

On page 6, line 10 by changing "(2)" to "(3)"; and by renumbering all subsequent subsections accordingly; and

On page 6, line 10 by inserting before the word "hazardous" the words "radioactive materials and intrastate carriers of other"; and

On page 6, line 24 by inserting before the word "hazardous" the words "radioactive materials and intrastate carriers of other"; and

On page 8, line 20, by inserting after the period "." the following language: "The secretary may fix a reasonable fee by regulation to be paid by applicants for a general permit. All such fees shall be credited to a trust and agency fund to be used in carrying out the provisions of this Act. In carrying out the provisions of this Act, the secretary shall not duplicate the enforcement and inspection activities performed by the federal government."; and

On page 9, line 20, by deleting the number "(1)"; and

On page 10, by deleting lines 8-16 in their entirety; and

On page 13, line 17, by inserting after the word "Act" the words "*, except petroleum or petroleum products in bulk in amounts less than ten thousand (10,000) pounds,*"; and

On page 16, line 22 by inserting after the word "material" the words "which is not a hazardous waste,"; and

On page 1, line 17, by deleting the words "or water"; and

On page 3, line 9, by deleting the word "waterway,".

Floor Amendment No. 17 to the Committee Substitute to **HB 931,** by Representative Riner:

Amend printed copy of Committee Substitute for **HB 931,** page 13, lines 21-22 by deleting the same and inserting the following:

1980-81	$76,000.00
1981-82	$78,000.00

Floor Title Amendment to **SB 44,** by Representative Patrick:

Amend printed copy of **SB 44,** page 1, by deleting the title "An Act relating to taxes on motor vehicles and trailers." and inserting in lieu thereof the following: "An Act relating to revenue and taxation."

Floor Amendment No. 6 to **SB 102,** by Representative Worthington:

Amend printed copy of **SB 102,** page 2, line 21, by inserting "[]" around "1978" and

On page 2, line 22, by inserting before "$9,000" "*$11,000*" and by inserting "[]" around "$9,000"

Floor Amendment No. 60 to **HB 532** by Representative Stumbo:

Amend printed copy of **HB 532,** page 86, by deleting lines 11, 12, 13, 14, and 15 and adding therein the following:

"Section 43. Whereas, the legislature recognizes that worker's compensation is a serious problem, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor."

Floor Amendment No. 61 to **HB 532,** by Representative Stumbo:

Amend printed copy of **HB 532,** page 35, line 14, by deleting the words "a rebuttable" and inserting therein the following: "an irrebuttable"

Floor Amendment No. 62 to **HB 532** by Representative Stumbo:

Amend printed copy of **HB 532,** page 75, line 10, by deleting "$5,000.00" and adding therein "$6,500.00"

Floor Amendment No. 63 to **HB 532,** by Representative Stumbo:

Amend printed copy of **HB 532,** page 25, line 14, after the ":" by adding the following:

"On the effective date of this Act, the average insurance rate level for workers' compensation benefits required by this chapter shall be reduced by not less than twenty-seven percent (27%) from the average rate level in effect immediately prior to such date for all employers. Such reduced rates shall remain in effect for at least 3 years."

On page 53, by deleting lines 15 through 26 and inserting therein the following:

"(13) "Occupational Disability" means that the worker shall be considered totally disabled when as a result of his injury or occupational disease he cannot, in light of properly attested medical findings, return to his usual job or regular or similar occupation at the same or better wage that before the injury or occupational disease occurred. If the hearing officer finds from a preponderence of the evidence that a worker is totally and permanently disabled from performing his usual job or occupation then that worker shall be entitled to full benefits for so long as the disability exists, or until he obtains suitable employment."

Floor Amendment No. 64 to Floor Amendment No. 59 to **HB 532,** by Representative Noe:

Amend printed copy of Floor Amendment No. 59 to **HB 532,** page 5, by deleting line 3 in its entirety.

Floor Amendment No. 65 to **HB 532,** by Representative McKinney:

Amend printed copy of **HB 532,** page 49, line 15, by adding the following after the word "filed.":

"*When all of the employes of a company are exempt from this Act by being a partnership or by all of the employes rejecting this Act, the company upon furnishing such proof to the workers' compensation board, will be given a certificate of compliance.*"

Floor Amendment No. 66 to **HB 532,** by Representative Gray:

Amend printed copy of **HB 532,** page 11, lines 5 and 6, by placing brackets around the following: "(not including overtime or premium pay)"; and

On lines 13 and 14, by placing brackets around the following: "(not including overtime or premium pay)"

Floor Amendment No. 67 to **HB 532,** by Representative Gray:

Amend printed copy of **HB 532,** page 86, after line 10, by adding the following new section 43:

"SECTION 43. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The provisions and amendments effected by this Act shall expire on December 31, 1982 unless re-enacted by the Kentucky General Assembly."

And renumbering remaining section accordingly.

Floor Amendment No. 68 to **HB 532,** by Representative Gray:

Amend printed copy of **HB 532,** page 67, after line 10, by inserting the following new section 39:

"Section 39. KRS 342.720 is amended to read as follows:
If death results from the injury, the employer shall pay the cost of burying in an amount not to exceed *two thousand five hundred dollars ($2,500)* [one thousand five hundred dollars ($1,500)] to any person who performed such service or incurred the liability for the service, whether or not the employe leaves dependents within the meaning of this chapter. Any such person is hereby authorized to file a petition with the board for the fixing of the amount of the service and for an order requiring the employer to pay the cost of the service. If death occurs while the employe is away from his usual place of business or residence the employer will be liable for the additional reasonable cost of transportation of the body to the employe's place of residence within the Commonwealth of Kentucky."

And, renumbering the remaining sections accordingly.

Floor Amendment No. 69 to **HB 532,** by Representative Smith:

Amend printed copy of **HB 532,** page 86, after line 10, by inserting the following new Section 43:

"SECTION 43. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

On the effective date of this Act, the average insurance rate level for workers' compensation benefits required by this chapter shall be reduced by not less than twenty-five percent (25%) from the average rate level in effect immediately prior to such date. Such reduced rates shall remain in effect for at least two (2) years."

Floor Amendment No. 4 to **SB 44,** by Representative Patrick:

Amend printed copy of **SB 44,** page 12, after line 20, by inserting the following:

Section 8. KRS 138.662 is amended to read as follows:
(1) *(a)* City and suburban bus companies and taxicab companies operating under a certificate of convenience and necessity issued pursuant to KRS Chapter 281 shall be entitled to a refund of seven-ninths of the amount of KRS Chapter 138 taxes paid on motor fuels used in their regularly scheduled operations in Kentucky.
(b) All vehicles owned and operated by any school district shall be exempted from the KRS Chapter 138 taxes paid on motor fuels.
(2) No person shall be entitled to a refund *or exemption* hereunder unless he shall have first filed with the department of revenue a bond issued by a surety company authorized to do business in Kentucky in an amount of not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000) to be determined by the department of revenue, conditioned upon faithful compliance with this section and upon the payment to the Commonwealth of any refunds *or exemptions* to which he was not entitled.
(3) Applications for refund *or exemptions shall be administered by the department of revenue* [shall on or before the last day of each month following the quarter, September 30, December 31, March 31, and June 30, be made to the department of revenue on forms and in the manner prescribed by it for the refund of tax paid on motor fuel used by buses or taxicabs during the quarter; except that a taxicab company may file an application within ninety (90) days after the close of the fiscal year in which the purchases were made. Each application for a refund shall show the number of gallons of motor fuel purchased during the quarter for use in buses or taxicabs; the date and quantity of each purchase; the vendor from whom such fuel was purchased; the number of gallons on which refund is claimed; and such other information as the department of revenue may require. The application shall be made under oath. Invoices shall be attached to applications from taxicab companies.]
(4) The department may require any gasoline dealer or any dealer's authorized agent to identify gasoline sold by him for taxicab use by adding thereto any chemical or substance, which shall be furnished by the department and used in the manner as prescribed by the department. The department also may require that the dealer keep a complete record of all such gasoline sold by him, which records shall give the date of each such sale, the number of gallons sold, the name of the person to whom sold, and the sale price.
(5) The department of revenue shall audit the application and make such other investigation as it deems necessary to determine whether it constitutes a proper claim. When the department of revenue is satisfied that a refund is proper it shall authorize seven-ninths of the amount of the tax paid to be refunded as other refunds are made and the amount refunded shall be deducted from current motor fuel tax receipts.
(6) When the department of revenue finds that an application for a refund *or exemption* contains a false or fraudulent statement or that a refund *or exemption* has been fraudulently obtained, the department of revenue shall refuse to grant any refunds *or refuse to allow an exemption* to the person making such false or fraudulent statement or fraudulently obtaining a refund *or exemption* for a period of two (2) years from the date of such findings.
(7) The department of revenue may prescribe, adopt and enforce regulations relating to the administration and enforcement thereof.
(8) The refund provided herein shall be effective on motor fuel purchased July 1, 1978 and thereafter. *The exemption provided herein shall be effective on motor fuel purchased July 1, 1980 and thereafter.*

Floor Amendment No. 13 to **SB 140,** by Representative Riner:

Amend printed copy of **SB 140,** page 2, line 18, after "necessary.]" by inserting:

SECTION 2. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

As used in this Act:

(1) "Theory of evolution" shall mean the belief that present processes, acting essentially as a present, suffice to explain the past history of the cosmos, including its assumed evolutionary development from primeval chaos into its present form. The origin and development of the elements, the galaxy, the solar system, of life, of all the species of plants and animals, the origin of men, and the origin of all things are included in this cosmology. Matter or energy, or both, in some form are assumed to be eternal, so that there has never been any real creation of anything, ex nihilo, as used in this definition.

(2) "Scientific creationism" shall mean the belief, based upon scientific principles, that there was a time in the past when all matter, energy, and life, and their processes and relationships were created ex nihilo and fixed by creative and intelligent design.

SECTION 3. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

(1) With respect to lectures, visual aids, textbooks, other prepared subject matter, curricula, course guides, course outlines, and other administrative curricular matter used in all public elementary and secondary schools within the Commonwealth, references to any theory of evolution shall be presented only with references to scientific creationism which are equal in content and context.

(2) Nothing in this Act shall be construed as a control on discussion, nor so as to prevent the use of dual textbooks or teaching materials, or both, to achieve the equal content requirements of this Act.

(3) The requirements of this Act shall be applicable to all presentations of the theory of evolution and scientific creationism beginning with the 1982-83 school year.

SECTION 4. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

Beginning in the 1980-81 school year, the state textbook commission, under provisions of KRS 156.435, shall include as a criterion for selection of textbooks for adoption, the theory of scientific creationism when references to the theory of evolution are made in a textbook being considered for adoption."

Floor Amendment No. 75 to **HB 532,** by Representative Deskins:

Amend printed copy of **HB 532,** page 53, lines 10 through 14, by deleting "*The percentage of functional disability incurred by an employe as a result of injury on occupational disease shall be determined as set forth in "Guides to the Evaluation of Permanent Impairment," American Medical Association, 1977 edition.*"

On page 67, line 26, through page 68, lines 1 and 2, by deleting "*as determined by "Guides to the Evaluation of Permanent Impairment," American Medical Association, 1977 edition*".

Floor Amendment No. 18 to the Committee Substitute to **HB 931,** by Representatives Kidd and Thomason:

Amend printed copy of Committee Substitute for **HB 931,** page 14, line 4, by adding the following:

Notwithstanding the provisions of any statutes to the contrary, and notwithstanding any provisions embodied in the supporting work papers to this Act as considered by the 1980 Regular Session of the General Assembly to the contrary, the annual salary paid to any county attorney from the above appropriation shall not exceed thirty thousand dollars ($30,000) for fiscal years 1980-81 or 1981-82."

Floor Amendment No. 1 to **SB 114,** by Representative Burnette:

Amend printed copy of **SB 114,** page 5, line 4, by inserting after the word "dentist" the following phrase: "; except that nothing in this Act shall prohibit an anesthesia assistant who is a graduate of a program approved by the American Anesthesia Society from giving general anesthetics under the direct supervision of a board eligible anesthesiologist"

Floor Amendment No. 19 to the Committee Substitute to **HB 931**, by Representative Hancock:

Amend printed copy of House Committee Substitute for **HB 931**, page 6, line 17, by deleting the figure "$13,451,100" and inserting in its place "$13,643,100";

Line 18, by deleting the figure "$14,284,100" and inserting in its place the figure "$14,486,600";

After line 18, by adding the following: "Included in the above appropriation for fiscal year 1980-81 and 1981-82, respectively, is $192,000 for fiscal year 1980-81 and $202,400 for fiscal year 1981-82 for the operations of the Commonwealth Credit Union;

Page 8, line 13, by deleting the figure "$33,351,100 and inserting in its place "$33,543,100"; and line 14 by deleting the figure "$89,609,200" and inserting in its place the figure "$89,811,600".

Floor Amendment No. 1 to **HB 374**, by Representative Schmidt:

Amend printed copy of **HB 374**, page 1, lines 7-10, by deleting the words "be deemed to entitle the policyholder, or other person entitled to such benefits under such policy, to payment of or" and inserting in lieu thereof "provide the policyholder the option to purchase benefits providing"

Page 1, line 19 after the word "Every" by inserting the word "master"

Page 2, lines 4-6 by deleting the words "be deemed to entitle the policyholder, or other person entitled to such benefits under such policy, to payment of or" and inserting in lieu thereof "provide the master policyholder the option to purchase benefits providing"

Page 2, line 15 after the word "Every" by inserting the word "master"

Page 2, line 22, by deleting the words "be deemed to provide" and in its place inserting "provide the master policyholder the option to purchase"

And on page 3, lines 15 and 16 by deleting the words "be deemed to provide" and inserting in lieu thereof "provide the policyholder the option to purchase"

Floor Amendment No. 76 to **HB 532**, by Representative Deskins:

Amend printed copy of **HB 532**, page 18, lines 16, 17 and 18 by deleting the following: "*subject to approval of the interim joint committee on judiciary courts or its successor,*";

On page 20, lines 17, 18 and 19 by deleting the following: "*, subject to approval of the interim joint committee on judiciary courts or its successor,*".

Floor Amendment No. 77 to **HB 532**, by Representative Deskins:

Amend printed copy of **HB 532**, page 79, beginning on line 3, by deleting the following: "*seventy-five percent (75%)*" and inserting in lieu thereof, "*one hundred percent (100%)*".

Floor Amendment No. 78 to **HB 532**, by Representative Deskins:

Amend printed copy of **HB 532**, page 45, line 10, by placing brackets around "5,000.00" and inserting after the word "or", "*6,500.00*"

On line 13, by placing brackets around "6,000.00" and inserting after the word "or", "*7,500.00*".

Floor Amendment No. 79 to **HB 532**, by Representative Deskins:

Amend printed copy of **HB 532**, page 72, line 3 through page 73, line 22, by deleting the new material;

Page 85, lines 12 through 21, by deleting the new material;

Page 85, line 21, by deleting the bracket;

Page 86, line 2, by deleting the bracket.

Floor Amendment No. 80 to **HB 532,** by Representative Deskins:

Amend printed copy of **HB 532,** page 20, line 24, by deleting "*all*"

Page 21, line 1, by deleting "*and*" and deleting the brackets;

Page 21, line 14, through page 40, line 5, by deleting Sections 18, 19, 20, 21, 22, 23 and 24 in their entirety;

Page 43, line 3, through page 45, line 13, by deleting Section 26 in its entirety.

Floor Amendment No. 81 to **HB 532,** by Representative Deskins:

Amend printed copy of **HB 532,** page 86, lines 11 and 12 by deleting the following:

"342.004, Liberal construction of chapter — Presumption in case of pneumoconiosis of silicosis, and"

Line 14, by deleting the word "are" and inserting in lieu thereof the word "is".

Floor Amendment No. 82 to **HB 532,** by Representative Gray:

Amend printed copy of **HB 532,** page 86, following line 15, by inserting the following:

SECTION 44. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context clearly indicates otherwise:

(1) "Manager" means the manager of the Kentucky workers' compensation insurance provider;

(2) "Board" means the board of directors of the Kentucky workers' compensation insurance provider;

(3) "Provider" means the Kentucky workers' compensation insurance provider;

(4) "Bonds" or "notes" means the bonds or bond anticipation notes authorized to be issued by the provider pursuant to this Act;

(5) "Obligations" means any bonds or bond anticipation notes authorized to be issued by the provider under the provisions of this Act.

SECTION 45. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky workers' compensation insurance provider is created as an independent public corporation and the purpose is to insure employers against liability for injuries and occupational diseases for which their employes may be entitled to benefits under the Kentucky workers' compensation law.

(2) The provider shall transact its business in the same manner as and shall have all the powers and privileges of a corporation.

(3) The provider shall establish and maintain its main office in Frankfort, Kentucky.

SECTION 46. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky workers' compensation insurance provider shall be under the direct supervision of a board of directors which shall consist of five (5) members to be appointed by the governor with the advice and consent of the senate. If the senate is not in session when a term expires or a vacancy occurs, the governor shall make the appointment to take effect at once, subject only to the approval of the joint interim committee on labor and industry of the legislative research commission if such appointment is made more than ninety (90) days prior to the commencement of a session of the general assembly.

(2) Of the members of the board, one (1) shall be appointed for a term ending July 1, 1982, and each other director for a term expiring one (1), two (2), three (3), and four (4) years thereafter. Upon expiration of any of the terms, the appointee or his successor shall be appointed for a term of four (4) years. Appointment to fill a vacancy caused by other than expiration of the term shall be for the unexpired portion of the term.

(3) The governor, with the consent of the senate or the joint interim committee on labor and industry if the senate is not in session, may remove a board member for cause after giving him a copy of the charges against him and an opportunity for being publicly heard in person or by counsel in his own defense upon not less than ten (10) days' notice. If a board member is removed, the governor shall file in the office of the secretary of state a complete statement of all charges against the board member and the findings thereon,

and a complete record of the proceedings. Any board member so removed may bring action in the proper court to determine whether he was legally removed in accordance with this section.

(4) Each appointed member of the board shall receive as compensation seventy-five dollars ($75) per day while in actual attendance at meetings of the board and shall be reimbursed for mileage and subsistence.

(5) Annually, the board shall elect from its membership its chairman and vice-chairman.

(6) The board shall appoint a secretary who shall keep a record of the proceedings and shall be custodian of all books, documents and papers filed with the provider, the minute book or journal of the provider, and its official seal. The secretary shall have authority to cause copies to be made of all minutes and other records and documents of the provider and to give certificates under the official seal of the provider.

(7) A majority of the board shall constitute a quorum for all purposes.

(8) The board may adopt rules and regulations as it deems proper for the conduct of its business and shall be responsible for setting forth the general policy for the operation of the provider.

(9) The board shall meet at least once every three (3) months. Board meetings may be called at any time by the chairman of the board or the manager.

SECTION 47. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) Three (3) nominations for the position of manager shall be submitted to the governor by the board. The governor, with the advice and consent of the senate, shall appoint the manager from among these nominees. If the senate is not in session when a term expires or a vacancy occurs, the governor shall make the appointment to take effect at once, subject only to the approval of the joint interim committee on labor and industry of the legislative research commission if such appointment is made more than ninety (90) days prior to the commencement of a session of the general assembly. The manager shall be appointed for a term of four (4) years and shall be allowed to succeed himself if reappointed pursuant to the provisions of this section.

(2) Compensation of the manager shall be by salary as set out by the board. Such salary shall be commensurate with the experience and expertise necessary to properly manage the provider.

(3) The manager may perform all acts necessary or convenient in the exercise of the business of the provider including the power to hire personnel and fix compensation.

(4) The manager shall be authorized to conduct all activities in connection with the insurance business to be carried on by the provider. He shall, subject to the approval of the board, establish the premium rates.

(5) Before entering on the duties of the office the manager shall qualify by giving bond in an amount and with sureties approved by the governor. The manager shall file the bond with the state treasurer. The premium for the bond shall be paid by the board.

(6) The manager shall be removed only for cause by the governor at the recommendation of the board and with the consent of the senate, or the joint interim committee on labor and industry if the senate is not in session. Such cause for removal may include, but is not limited to, improper administration of the provider or any activity inconsistent with the duties of manager of the provider.

SECTION 48. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The provider may:

(1) Contract with physicians, surgeons, hospitals, and rehabilitation facilities for medical, surgical, and rehabilitation, evaluation and treatment and the care and nursing of injured persons entitled to benefits from the provider;

(2) Make safety inspections of risks and furnish advisory services to employers on safety and health measures;

(3) Collect and disperse money necessary to administer the provisions of this Act and to conduct its business;

(4) Insure any employer for workers' compensation liability, or deny any employer insurance for any lawful reason;

(5) Furnish advice, services and excess workers' compensation to any employer qualified as a self-insured employer;

(6) Reinsure any risk or any part thereof; and

(7) Issue its bonds and notes for the purpose of carrying out its corporate powers and duties as set forth in this Act.

SECTION 49. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The moneys and assets belonging to the provider are:

(1) All premiums and moneys paid in accordance with the provisions of this Act;

(2) All property and securities acquired through the use of money belonging to the provider;

(3) All interest and dividends earned upon money belonging to the provider and deposited or invested as provided by this Act; and

(4) All proceeds from bonds issued pursuant to this Act.

SECTION 50. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) The provider may use its assets to pay medical expenses, rehabilitation expenses, benefits, salaries, administrative and other expenses.

(2) The provider may use its assets to declare a rebate when there is an excess of assets over liabilities, necessary reserves, and a reasonable surplus for the catastrophe hazard.

SECTION 51. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

An employer who intentionally misrepresents any material fact upon which his premium under this Act is based is liable to the provider for three (3) times the amount of the difference in the premium paid and the amount the employer should have paid if his payroll had been correctly computed. The penalty shall be collected in a civil action.

SECTION 52. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) Obligations issued under the provisions of this chapter shall not be deemed to constitute a debt, liability or obligation of the state or a pledge of the faith and credit of the state, but shall be payable solely from the revenues or assets of the provider. Each obligation issued under this Act shall contain on the face thereof a statement to the effect that the provider shall not be obligated to pay the same nor the interest thereon except from the revenues or assets pledged therefor and that neither the faith and credit nor the taxing power of the state is pledged to the payment of the principal of or the interest on such obligation.

(2) Expenses incurred by the provider in carrying out the provisions of this Act may be made payable from funds provided pursuant to this Act and no liability shall be incurred by the provider hereunder beyond the extent to which moneys shall have been so provided.

SECTION 53. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) The provider is hereby authorized to provide for the issuance, at one (1) time or from time to time, of not exceeding ten million dollars ($10,000,000) in bonds of the provider to carry out and effectuate its corporate purposes and powers. In anticipation of the issuance of such bonds the provider is hereby authorized to provide for the issuance, at one (1) time or from time to time, of bond anticipation notes. The principal of and the interest on such bonds or notes shall be payable solely from the funds herein provided for such payment. Any such notes may be made payable from the proceeds of bonds or renewal notes or, in the event bond or renewal note proceeds are not available, such notes may be paid from any available revenues or assets of the provider. The bonds or notes of each issue shall be dated and may be made redeemable before maturity at the option of the provider at such price or prices and under such terms and conditions as may be determined by the provider. Any such bonds or notes shall bear interest at such rate or rates as may be determined by the provider. Notes shall mature at such time or times not exceeding five (5) years from their date or dates and bonds shall mature at such time or times not exceeding thirty (30) years from their date or dates, as may be determined by the provider. The provider shall determine the form and manner of execution of the bonds or notes, including any interest coupons to be attached thereto, and shall fix the denomination or denominations and the place or places of payment of principal and interest, which may be any bank or trust company within or without the state. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or notes or coupons attached thereto shall cease to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The provider may also provide for the authentication of the bonds or notes by a trustee or fiscal agent. The bonds or notes may be issued in coupon or in registered form, or both, as the provider may determine, and provision may be made for the registration of any coupon bonds or notes as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds or notes of any bonds or notes registered as to both principal and interest, and for the interchange of registered and coupon bonds or notes. Upon the approval of a resolution of the provider authorizing the sale of its bonds or notes, such bonds or notes may be sold in such manner, either at public or private sale, and for such price as said provider shall determine to be for the best interest of the provider and best effectuate the purposes of this Act provided that such sale shall be approved by the provider.

(2) The proceeds of any bonds or notes shall be used solely for the purposes for which issued and shall be disbursed in such manner and under such restrictions, if any, as the provider may provide in the resolution authorizing the issuance of such bonds or notes or in the trust agreement, as provided in Section 11 of this Act, securing the same. The principal of and interest on any bonds issued by the provider shall be payable solely and only from the proceeds derived by the provider from premium collection and bond proceeds.

SECTION 54. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

In the discretion of the provider any obligation issued under the provisions of this Act may be secured by a trust agreement by and between the provider and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state. Such trust agreement or the resolution providing for the issuance of such obligations may pledge or assign all or any part of the revenues or assets of the provider. Such trust agreement or resolution may contain such provisions for protecting and enforcing the rights and remedies of the holders of any such obligations as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the provider in relation to the purposes to which obligation proceeds may be applied, the disposition or pledging of the revenues or assets of the provider, the terms and conditions for the issuance of additional obligations, and the custody, safeguarding and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of the state which may act as depository of the proceeds of obligations, revenues or other money hereunder to furnish such indemnifying bonds or to pledge such securities as may be required by the provider. Any such trust agreement or resolution may set forth the rights and remedies of the holders of any obligations and of the trustee, and may restrict the individual right of action by any such holders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the provider may deem reasonable and proper for the security of the holders of any obligations. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be paid from the revenues or assets pledged or assigned to the payment of the principal of and the interest on obligations or from any other funds available to the provider.

SECTION 55. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The pledge of any assets or revenues of the provider to the payment of the principal of or the interest on any obligations of the provider shall be valid and binding from the time when the pledge is made and any such assets or revenues shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the provider, irrespective of whether such parties have notice thereof. Nothing herein shall be construed to prohibit the provider from selling any assets subject to any such pledge except to the extent that any such sale may be restricted by the trust agreement or resolution providing for the issuance of such obligations.

SECTION 56. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any other provisions of law to the contrary, all moneys received pursuant to the authority of this Act shall be deemed to be trust funds to be held and applied solely as provided in this Act. The resolution authorizing any obligations or the trust agreement securing the same may provide that any of such moneys may be temporarily invested pending the disbursement thereof and shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulations as this Act and such resolution or trust agreement may provide. Any such moneys or any other moneys of the provider may be invested as provided in KRS 386.020, except that at least eighty (80) percent of these investments shall be made only in property, enterprises or securities of entities located within the Commonwealth of Kentucky.

SECTION 57. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

Any holder of obligations issued under the provisions of this Act or any coupons appertaining thereto, and the trustee under any trust agreement or resolution authorizing the issuance of such obligations, except the rights herein given may be restricted by such trust agreement or resolution, may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the state or granted hereunder or under such trust agreement or resolution, or under any other contract executed by the provider pursuant to this Act, and may enforce and compel the performance of all duties required by this Act or by such trust agreement or resolution to be performed by the provider or by any officer thereof.

SECTION 58. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any of the foregoing provisions of this Act or any recitals in any obligations issued under the provisions of this Act, all such obligations and interest coupons appertaining thereto shall be and are hereby made negotiable instruments under the laws of this state, subject only to any applicable provisions for registration.

SECTION 59. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

Obligations issued under the provisions of this Act are hereby made securities in which all public officers and public bodies of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such obligations are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds, notes or obligations of the state is now or may hereafter be authorized by law.

SECTION 60. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) The provider is hereby authorized to provide for the issuance of refunding obligations for the purpose of refunding any obligations then outstanding which shall have been issued under the provisions of this Act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such obligations and, if deemed advisable by the provider, for any corporate purpose of the provider. The issuance of such obligations, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the provider in respect of the same shall be governed by the provisions of this Act which relate to the issuance of obligations, insofar as such provisions may be appropriate therefor.

(2) Refunding obligations may be sold or exchanged for outstanding obligations issued under this Act and, if sold, the proceeds thereof may be applied, in addition to any other purposes, to the purchase, redemption or payment of such outstanding obligations. Pending the application of the proceeds of any such refunding obligations, with any other available funds, to the payment of the principal, accrued interest and any redemption premium on the obligations being refunded, and, if so provided or permitted in the resolution authorizing the issuance of such refunding obligations or in the trust agreement securing the same, to the payment of any interest on such refunding obligations and any expenses in connection with such refunding, such proceeds may be invested in direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America which shall mature or which shall be subject to redemption by the holders thereof, at the option of such holders, not later than the respective dates when the proceeds, together with the interest accruing thereon, will be required for the purposes intended.

SECTION 61. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The provider shall be authorized and empowered in connection with the issuance of its bonds and notes for purposes pursuant to this Act to establish in respect of such bonds and notes such reserve funds or replacement funds as may be required in the sound discretion of the board of directors of the provider to enable the provider to effectuate its proper public purposes. In the event any such reserve fund or replacement fund created by the provider in connection with any such bond issue or note issue should, in violation of any contract made by the provider with any bondholder or noteholder, be monetarily deficient in any respect; as of any date of accounting so stipulated by the provider, the provider shall immediately make formal request in writing to the secretary of the department of finance, and to the governor of Kentucky that sums adequate to restore such reserve fund or replacement fund to its contractually required level and to pay any overdue principal and interest on any outstanding bonds and notes of the provider be included in the next succeeding executive budget, and that such budget request with recommendation for approval by the general assembly of an appropriation to the provider for the use and benefit of such reserve fund or replacement fund be submitted to the next session of the general assembly. In the event the next scheduled regular session of the general assembly of Kentucky shall occur more than six (6) months after any such request by the provider, the provider shall request that sums adequate to restore such reserve fund or replacement fund to such contractually required level and to pay any overdue principal and interest on any outstanding bonds and notes of the provider be made available from the governor's contingency fund, and if such funds are so made available the budget request described in this section shall be correspondingly reduced.

SECTION 62. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

(1) The provider shall, promptly following the close of each fiscal year, submit an annual report of its activities for the preceding year to the governor and the general assembly. Each such report shall set forth a complete operating and financial statement of the provider during the year.

(2) The provider shall have an annual audit made by the auditor of public accounts of its books, accounts, and records with respect to all matters relating to its financial operations. The persons performing such audit shall furnish copies of the audit report to the secretary of the department of finance, the governor and the general assembly where they shall be placed on file and made available for inspection by the general public.

(3) The provider shall have an annual actuarial report made with respect to all matters relating to its financial operations. The person performing such actuarial report shall furnish copies of the actuarial report to the secretary of the department of finance, the governor and the general assembly where they shall be placed on file and made available for inspection by the general public.

SECTION 63. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

No member or other officer of the provider shall be subject to any personal liability by reason of his execution of any of the obligations of the provider.

SECTION 64. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The provider is authorized to accept and expend such moneys as may be appropriated from time to time by the general assembly or such moneys as may be received from any source including income from the provider's operations, for effectuating its corporate purposes including, without limitation, the payment of the initial expenses of administration and operation and the establishment of a reserve or contingency fund to be available for the payment of the principal of and interest on any bonds or notes of the provider.

SECTION 65. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

If any member, officer or employe of the provider shall be interested either directly or indirectly, or shall be an officer of employe of or have an ownership interest in any firm or corporation interested directly or indirectly in any contract with the provider, such interest shall be disclosed to the provider and shall be set forth in the minutes of the provider, and the member, officer or employe having such interest therein shall not participate on behalf of the provider in the authorization of any such contract.

SECTION 66. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

Upon termination or dissolution, all rights and properties of the provider shall pass to and be vested in the Commonwealth of Kentucky, subject to the rights of lienholders and other creditors.

SECTION 67. KRS 304.1-120 is amended to read as follows:

(1) No provision of this code shall apply to:

(a)[(1)] Fraternal benefit societies (as identified in subtitle 29), except as stated in subtitle 29.

(b)[(2)] Nonprofit hospital, medical-surgical, dental and health service corporations (as identified in subtitle 32) except as stated in subtitle 32.

(c)[(3)] Burial associations (as identified in KRS chapter 303), except as stated in subtitle 31.

(d[(4)] Assessment or cooperative insurers (as identified in KRS chapter 299).

(e)[(5)] Insurance premium finance companies (as identified in subtitle 30), except as stated in subtitle 30.

(f)[(6)] A group or association of health facility and health services institutions subject to the Kentucky certificate of need, licensure and regulations act of 1972, KRS 216.405 to 216.485, composed of any number of members, who join together to self insure against professional liability or comprehensive general liability risks for bodily injury or property damage, to anyone except employes for claims arising out of their employment of the members of such group, which arises out of the operation of institutions by members of the group and who comply with the following conditions:

1.[(a)] Establishment of a professional or comprehensive general liability risk management trust fund to provide adequate coverage for claims made against members of the fund for professional liability or comprehensive general liability risks;

2.[(b)] Establishment of a comprehensive loss prevention and risk management program coordinated with an effective claims management system for members of the group;

3.[(c)] Filing with the department, on a form to be provided by the department, a certification setting forth the establishment of such a trust fund, the date upon which the trust fund is to become effective, the identity of the members of the trust fund, and a copy of the programs and systems established for the members of the trust fund.

(2) No provision of this code relating to a certificate of authorization shall apply to the Kentucky workers' compensation insurance provider.

Section 68. KRS 342.340 is amended to read as follows:

(1) Every employer under this chapter shall either insure and keep insured his liability for compensation hereunder in some corporation, association or organization authorized to transact the business of workmen's compensation insurance in this state *including the Kentucky workers' compensation insurance provider* or shall furnish to the board satisfactory proof of his financial ability to pay directly the compensation in the amount and manner and when due as provided for in this chapter. In the latter case the board shall require the deposit of an acceptable security, indemnity or bond to secure to such an extent as the board directs the payment of compensation liabilities as they are incurred.

(2) Every employer accepting this chapter shall at the time of such acceptance file with the board in substantially the form prescribed by it, and semiannually thereafter, or as often as may be necessary, evidence of his compliance with the provisions of this section and all others relating thereto. Until these provisions are complied with the employer shall, from the date of his acceptance of the chapter, be liable to an employe either for compensation under this chapter or at law in the same manner as if the employer had

refused to accept this chapter. Claim of compensation in such cases shall be considered a waiver of the right to proceed at law and the institution of an action at law shall be considered a waiver of all claim to compensation. Upon determination that any employer under this chapter has failed to comply with these provisions the board shall promptly notify interested government agencies of said failure and with particular reference to employers engaged in coal mining the board shall promptly report any such failures to the department of mines and minerals so that appropriate action may be undertaken pursuant to KRS 351.175.

Section 69. KRS 342.620 is amended to read as follows:

As used in this chapter unless the context otherwise requires:

(1) "Injury" means any work related harmful change in the human organism, including damage to or loss of a prosthetic appliance, but does not include any communicable disease unless the risk of contracting such disease is increased by the nature of the employment. "Injury" when used generally, unless the context indicates otherwise, shall include an occupational disease.

(2) "Occupational disease" means a disease arising out of and in the course of the employment.

(a) A disease shall be deemed to arise out of the employment if there is apparent to the rational mind, upon consideration of all the circumstances, a causal connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause. The disease shall be incidental to the character of the business and not independent of the relationship of employer and employe. The disease need not have been foreseen or expected but, after its contraction, it must appear to be related to a risk connected with the employment and to have flowed from that source as a rational consequence.

(b) "Injurious exposure" as used in KRS 342.316 shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(3) "Death" means death resulting from an injury or occupational disease.

(4) "Carrier" means any insurer, or legal representative thereof, authorized to insure the liability of employers under this chapter and includes a self-insurer *and the Kentucky workers' compensation insurance provider.*

(5) "Self-insurer" is an employer who has been authorized under the provisions of this chapter to carry his own liability on his employes covered by this chapter.

(6) "Department" means the department of labor.

(7) "Director" means the director of the workmen's compensation board.

(8) "Board" means the workmen's compensation board.

(9) "Disability" means, except for purposes of KRS 342.730(1)(c) relating to scheduled losses, a decrease of wage earning capacity due to injury or loss of ability to compete to obtain the kind of work the employe is customarily able to do, in the area where he lives, taking into consideration his age, occupation, education, effect upon employe's general health of continuing in the kind of work he is customarily able to do, and impairment or disfigurement.

(10) "Income benefits" means payments made under the provisions of this chapter to the disabled worker or his dependents in case of death, excluding medical and related benefits.

(11) "Medical and related benefits" means payments made for medical, hospital, burial and other services as provided in this chapter other than income benefits.

(12) "Compensation" means all payments made under the provisions of this chapter representing the sum of income benefits and medical and related benefits.

(13) "Medical services" means medical, surgical, dental, hospital, nursing and medical rehabilitation services, medicines, and fittings for artificial or prosthetic devices.

(14) "Person" means any individual, partnership, firm, association, trust, joint venture, corporation, or legal representative thereof.

(15) "Wages" means, in addition to money payments for services rendered, the reasonable value of board, rent, housing, lodging, fuel or similar advantages received from the employer, and gratuities received in the course of employment from others than the employer as evidenced by the employe's federal and state tax returns.

(16) "Agriculture" means the operation of farm premises, including the planting, cultivation, producing, growing, harvesting and preparation for market of agricultural or horticultural commodities thereon, the raising of livestock for food products and for racing purposes, and poultry thereon, and any work performed as an incident to or in conjunction with such farm operations. It shall not include the commercial processing, packing, drying, storing, or canning of such commodities for market, or making cheese or butter or other dairy products for market.

(17) "Beneficiary" means any person who is entitled to income benefits or medical and related benefits under this chapter.

(18) "United States" when used in a geographic sense, means the several states, the District of Columbia, the commonwealth of Puerto Rico, the Canal Zone, and the territories of the United States.

(19) "Alien" means a person who is not a citizen, a national or a resident of the United States or Canada. Any person not a citizen or national of the United States who relinquishes or is about to relinquish his residence in the United States shall be regarded as an alien.

(20) Except as otherwise provided in KRS 342.750, the formula for income benefits shall be 66-⅔ percent of the average weekly wages of the employe at the time of his injury, multiplied by the percentage of disability caused by the injury or occupational disease, subject to the limitation contained in KRS 342.740. Income benefits shall be payable during the applicable compensable period which is either (a) the specified number of weeks, or (b) the period of occupational disability during which the employe is disabled, or (c) where death results from the injury, the period during which the deceased's dependents qualify as such, or (d) where death is unrelated to the injury, the period during which the deceased's dependents qualify as such or during the period of the deceased's normal life expectancy, whichever is less.

SECTION 70. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The Commonwealth of Kentucky, and all governmental units and agencies thereof, shall insure its workers' compensation liability with the provider; Provided, however, that if the Commonwealth, or any governmental unit or agency thereof, elects to operate as a self-insurer or is able to obtain workers' compensation insurance coverage from another source at a rate less than that of the provider, this section shall not apply.

SECTION 71. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

Premium rates for policies issued by the provider after January 1, 1982, through January 1, 1983, shall be reduced by a minimum of ten percent (10%) for all employment classifications. The ten percent (10%) reduction shall be applied against premium rates that are in effect as of July 1, 1981, for private insurance carriers in the Commonwealth. The provider shall establish premium rates at the lowest possible rate consistent with the maintenance of the solvency of the provider, and the creation and maintenance of a reasonable surplus after the payment of legitimate claims, as determined by sound actuarial methods.

Section 72. 342.495 Kentucky Employe's Insurance Association created.
342.500 Board of directors — Selection — Term.
342.505 Board officers elected annually.
342.510 Quorum of board — Vacancies.
342.515 Representation of subscribers.
342.520 Subscriptions required to issue first policy.
342.525 Procedure required before first policy issued.
342.530 Board to group subscribers — Amount of premiums.
342.535 Association to fix contingent liability — Limit.
342.540 Assessments.
342.545 Dividends — All funds available for contingent liability.
342.550 Commissioner of insurance to approve premiums, etc.
342.555 Board to make safety regulations — Inspections — Review of regulation are repealed.

Section 73. This Act shall become effective July 15, 1980; Provided, however, the provider may not issue workers' compensation insurance policies prior to January 1, 1982, unless, in the opinion of the board of directors of the provider, the provider has established adequate reserve funds prior to that date.

Floor Amendment No. 83 to Floor Amendment No. 59 to **HB 532,** by Representative Deskins:

Amend printed copy of Floor Amendment No. 59 to **HB 532,** page 3, between lines 12 and 13, by inserting the following:

"Page 77, line 13, by deleting the bracket"

Floor Amendment No. 84 to Floor Amendment No. 59 to **HB 532,** by Representative Deskins:

Amend printed copy of Floor Amendment No. 59 to **HB 532,** page 3, line 6-7 by deleting "*, but not longer than four hundred twenty-five (425) weeks*" and inserting in lieu thereof, "*up to age sixty-five (65), but in no event for less than five (5) years*"; and

On line 8, by deleting said line.

Floor Amendment No. 85 to Floor Amendment No. 59 to **HB 532,** by Representative Deskins:

Amend printed copy of Floor Amendment No. 59 to **HB 532,** page 5, after line 5, by adding the following section:

"Section 10. KRS 342.710 is amended to read as follows:

(1) One of the primary purposes of this chapter shall be restoration of the injured employe to gainful employment. To this end there is hereby created a rehabilitation panel which shall be composed of the director and specialists in medical and vocational rehabilitation to be appointed by the board.

(2) The panel shall continuously study the problems of rehabilitation, both physical and vocational, and shall investigate and maintain a directory of all rehabilitation facilities, both private and public. The board in consultation with the panel, shall approve as qualified such facilities, institutions and physicians as are capable of rendering competent rehabilitation service to seriously injured employes. No facility or institution shall be considered as qualified unless it is specifically equipped to provide rehabilitation services for persons suffering either from some specialized type of disability or general type of disability within the field of occupational injury and is staffed with trained and qualified personnel, and with respect to physical rehabilitation, unless it is supervised by a physician qualified to render such service. No physician shall be considered qualified unless he has had the experience and training specified by the board.

(3) An employe who has suffered an injury covered by this chapter shall be entitled to prompt medical rehabilitation services. When as a result of the injury he is unable to perform work for which he has previous training or experience, he shall be entitled to such vocational rehabilitation services, including retraining and job placement, as may be reasonably necessary to restore him to suitable employment. If such services are not voluntarily offered and accepted, the board on its own motion, or upon application of the employe, employer or carrier, after affording the parties an opportunity to be heard by the panel, may refer the employe to a qualified physician or facility for evaluation of the practicability of, need for, and kind of service, treatment or training necessary and appropriate to render him fit for a remunerative occupation. Upon receipt of such report, and after affording the parties an opportunity to be heard by the panel, the board, in consultation with the panel, may order that the services and treatment recommended in the report, or such other rehabilitation treatment or service he may deem necessary, be provided at the expense of the employer. Vocational rehabilitation training, treatment or service shall not extend for a period of more than 26 weeks except in unusual cases when by special order of the board, after hearing, the period may be extended for additional periods.

(4) Where rehabilitation requires residence at or near the facility or institution, away from the employe's customary residence, reasonable cost of his board, lodging or travel shall be paid for by the employer.

(5) Refusal to accept rehabilitation pursuant to an order of the board shall result in a 50 percent loss of compensation for each week of the period of refusal.

(6) The board and the rehabilitation panel shall cooperate on a reciprocal basis with the Kentucky Bureau of Rehabilitation Services of the Department of Education and the Employment Services of the Kentucky Department for Human Resources.

(7) Notwithstanding the provisions of KRS 342.730 and 342.740, during the period the employe is actively participating in a vocational or physical rehabilitation program, pursuant to a board order, the employe's weekly compensation benefits shall be increased to eighty percent (80%) of his average weekly wages, as they were determined to be as of the time of injury, but not to exceed one hundred percent (100%) of the average weekly wage of the state."

Floor Amendment 86 to **HB 532,** by Representative Deskins:

Amend printed copy of **HB 532,** page 7, following line 15, by adding the following new subsection:

"*(6) In any case in which any of the parties have contended that liability should be totally or partially imposed or apportioned against the special fund, and the employer or its insurance carriers make payments for total or permanent partial disability or death prior to the final resolution of the issue of the extent of liability, if any, to be imposed upon the special fund, any final award or order shall direct the special fund to reimburse the employer or its insurance carrier for any payments already made to the employe or dependents in the same proportion as the percentage of liability ultimately awarded against the special fund.*"

Representative B. Richardson moved that no further business be conducted on this day other than filing of Amendments and Report of Committees. Agreed.

Representative B. Richardson announced the following times for meetings of Committees tomorrow. Regular meetings scheduled for 10 a.m. will meet at 9 a.m.; regular meetings scheduled for 12 noon will meet at 10 a.m.; regular meetings scheduled for 8 a.m. will meet at 8 a.m. Committee meetings will be for one hour only to allow the House to convene at 11 a.m.

Recess

Representative B. Richardson moved that the House recess until 7:45 p.m. on this day. Agreed.

At the appointed hour, Representative DeFalaise assumed the Chair.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Health and Welfare: **SJR 51, SJR 58.**

Adjournment

Representative Deskins moved that the House adjourn until 11 a.m., Tuesday, March 25, 1980.

The motion to adjourn was adopted by voice vote.

TUESDAY, MARCH 25, 1980

FIFTY-FIRST LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Reverend Norman Witthuhn, Chaplain, Northern Kentucky Treatment Center, Crittenden, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 24, 1980, be dispensed with and the same approved. Agreed.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Judiciary: **SB 334.**

State Government: **SB 297, SB 361, SB 242.**

Transportation: **SB 329.**

Posting of Bills and Resolutions for Consideration

The Clerk announced **SB 383** has been posted for consideration by the Committee on Appropriations and Revenue.

Report of Committees

The Committee on Rules reported **HB 275, HB 483, HR 114, SB 163, SB 14, SB 102, SB 108, SB 166, SB 233, SB 263, SB 365, SB 268, SB 210, SB 80, SCR 18,** and **SCR 23** have been posted for passage in Orders of the Day, March 26, 1980.

The Committee on Judiciary reported **HCR 46, SB 227, SB 288, SB 309, SB 326** with Committee Amendment attached thereto, and **SB 362** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HCR 46, A CONCURRENT RESOLUTION urging and requesting the Court of Justice to consider amending the rules to provide for fining the offending attorney but permitting late filing of appeals in certain cases.

WHEREAS, it is the opinion of the General Assembly of the Commonwealth of Kentucky that a problem exists in the Kentucky court systems as to court rules on the dismissal of appeals for untimely or late filing; and

WHEREAS, this problem is a serious social burden on the citizens of this Commonwealth in that innocent litigants are punished for the offenses of their lawyers; and

WHEREAS, the citizens of the Commonwealth are twice punished in that the cost of malpractice insurance is seriously increased by this problem, which in turn causes higher and higher legal fees to our citizens; and

WHEREAS, the punishment for such failure should fall more properly on the shoulders of the offending attorney and not the citizens of the Commonwealth; and

WHEREAS, this matter of public policy is of great urgency and importance for the Commonwealth of Kentucky and the General Assembly of the Commonwealth, and;

WHEREAS, the Court of Justice of the Commonwealth and the General Assembly are co-equal and separate branches of the government of the Commonwealth and must cooperate to insure the proper administration of justice;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the General Assembly of the Commonwealth of Kentucky hereby requests and urges the Court of Justice of this Commonwealth to most urgently consider amendments to the civil and criminal rules to provide an appropriate method of fining an offending attorney but permitting late filing of appeals for a reasonable time after the normal filing period and on the basis of excusable neglect or such other exceptional circumstances as the court determines.

Section 2. That a copy of this resolution be sent to Chief Justice John S. Palmore.

SB 227, AN ACT relating to criminal history records.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 17 IS CREATED TO READ AS FOLLOWS:

(1) Each law enforcement or other public agency in possession of arrest records, fingerprints, photographs, or other data whether in documentary or electronic form shall upon written request of the arrestee as provided herein segregate all records relating to the arrestee in its files in a file separate and apart from those of convicted persons, if the person who is the subject of the records:

(a) Is found innocent of the offense for which the records were made; or

(b) Has had all charges relating to the offense dismissed; or

(c) Has had all charges relating to the offense withdrawn.

(2) A person who has been arrested and then has come within the purview of subsection (1) of this section may apply to the court in which the case was tried, or in which it would have been tried in the event of a dismissal or withdrawal of charges, for segregation of the records in the case. Upon receipt of such application the court shall forthwith issue an order to all law enforcement agencies in possession of such records to segregate the records in accordance with the provisions of this Act.

(3) Each law enforcement agency receiving an order to segregate records shall forthwith:

(a) Segregate the records in its possession in a file separate and apart from records of convicted persons;

(b) Notify all agencies with which it has shared the records or to which it has provided copies of the records to segregate records; and

(c) All records segregated pursuant to this section shall show disposition of the case.

SB 288, AN ACT relating to judicial retirement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 21.345 is amended to read as follows:

(1) For the purposes of KRS 21.350 to 21.510, "retirement" means a voluntary resignation or a failure of re-election, but does not include a removal for cause.

(2) The word "service" as used in KRS 21.370 to 21.480 means service as a justice of the Supreme Court, as a judge of the Court of Appeals created by Section 111 of the Constitution of Kentucky, as a regular circuit judge, or as a regular judge of the district court, including service in one (1) and then another of those capacities. It also includes service *as a special circuit judge under the conditions described in subsection (3) of this section,* as a judge or commissioner of the former Court of Appeals, or as director of the administrative office of the courts, prior to January 1, 1976, and service continuing beyond that date, in any capacity in or for the Court of Justice, by any person who held the office of commissioner of the former Court of Appeals, or director of the administrative office of the courts, on December 31, 1975. The word

"service" embraces only service performed while a member of the retirement system established by KRS 21.350 to 21.510, except that, service in any of the positions hereinabove mentioned, before the judicial retirement system was made applicable to that category of position, shall be included.

(3) For the purposes of KRS 21.345 to 21.510, a "year" of service means a total of twelve (12) months of service, which need not be in the same calendar year. Service in any calendar month shall be deemed to constitute a month of service. *If within any period of three (3) consecutive calendar years before he became a member of the judicial retirement system, a member retiring after the effective date of this section served at least twelve (12) months as a special circuit judge, under one (1) or more designations to hold court for a specified period in place of the regular judge, he shall thereby be given credit for the months of such service.*

(4) The provisions of this section shall not apply to any director of the administrative office of the courts appointed after January 1, 1976, nor shall they apply to any commissioner of the Court of Appeals not appointed prior to January 1, 1976. The administrative director of the courts and commissioners of the Court of Appeals appointed prior to January 1, 1976, shall continue to be members of the system so long as they continue to render service in any capacity in or for the Court of Justice.

SB 309, AN ACT relating to juveniles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 208A IS ESTABLISHED AND A NEW SECTION THEREOF CREATED TO READ AS FOLLOWS:

This Act shall be known as the Kentucky Unified Juvenile Code.

SECTION 2. A NEW SECTION OF KRS CHAPTER 208 IS CREATED TO READ AS FOLLOWS:

This Act shall be interpreted to effectuate the following express legislative purposes:

(1) The Commonwealth shall direct its efforts to the strengthening and encouragement of family life for the protection and care of children; to strengthen and maintain the natural family unit; and to offer all available resources to any family in need of them.

(2) It also shall be declared to be the policy of this Commonwealth that all efforts shall be directed toward providing for each child a safe and nurturing home.

(3) The Commonwealth should show that other less restrictive alternatives have been attempted or are not feasible in order to insure children are not removed from families except when absolutely necessary.

(4) Any child brought before the court under this section shall have a right to treatment reasonably calculated to bring about an improvement of his condition.

(5) It shall further be the policy of this Commonwealth to provide judicial procedures in which rights and interests of all parties including the parents are recognized and are assured prompt and fair hearings. Such protections belong to the child individually and may not be waived by any other party.

SECTION 3. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context otherwise requires:

(1) "Abused or neglected child" means a child whose health or welfare is harmed or threatened with harm when his or her parent or person exercising custodial control or supervision of the child: inflicts or allows to be inflicted upon the child physical or emotional injury to the child by other than accidental means; creates or allows to be created a risk of physical or emotional injury to the child by other than accidental means; commits or allows to be committed an act of sexual abuse upon the child; willfully abandons or exploits such child; does not provide the child with adequate care and supervision; food, clothing and shelter; education; or medical care necessary for the child's well-being; Provided, however, that a parent or other person exercising custodial control or supervision of the child legitimately practicing his religious beliefs who thereby does not provide specified medical treatment for a child; for that reason alone shall not be considered a negligent parent or other person exercising custodial control or supervision of the child. This exception shall not preclude a court from ordering that medical services be provided to the child, where his health requires it;

(2) "Bureau" means the bureau for social services;

(3) "Child" means any person who has not reached his eighteenth (18th) birthday;

(4) "Child welfare worker" means any employee of the department for human resources or private agency designated as such by the secretary of the department for human resources or a social worker employed by a county or city who has been approved by the department for human resources to handle, under its supervision, services to children;

(5) "Community-based facility" means any non-secure, home-like facility licensed, operated, or permitted to operate, by the department. Such residential programs are within a reasonable proximity of the juvenile's family and home community and afford the child to continue family and community contact;

(6) "Complaint" means a verified statement setting forth allegations against the child which contain sufficient facts for the formulation of a subsequent petition;

(7) "Court" means the juvenile session of district court;

(8) "Court designated agency or worker" means that organization or individual delegated by the district court for the purposes of placing children in alternative placements prior to arraignment, conducting preliminary investigations, and for purposes of formulating, entering into and supervising diversion agreements in accordance with Sections 13(3) and 69 of this Act;

(9) "Delinquency action" is an action brought in the interest of a child who is accused of committing a public offense, which if committed by an adult would be a crime;

(10) "Delinquency offense" is an action brought in the interest of a child who is accused of committing a public offense, which if committed by an adult would be a crime;

(11) "Department" means the department for human resources;

(12) "Dependent child" means any child who is under improper care, control, or guardianship that is not due to the negligence of the parent or guardian, provided that the child is not an abused or neglected child;

(13) "Diversion Agreement" means that agreement entered into between the court designated worker and the child charged with the commission of certain offenses set forth in Section 4(1)(a) of this Act, the purpose of which is to serve the best interest of the child and to provide redress for those offenses without court action and without the creation of a formal court record;

(14) "Emergency shelter" is a group home, private residence, foster home, or similar home-like facility which provides temporary or emergency care of children and adequate staff and services consistent with the needs of each child;

(15) "Emergency shelter care facility" is a group home, private residence, foster home, or similar home-like facility which provides temporary or emergency care of children and adequate staff and services consistent with the needs of each child.

(16) "Emotional harm" means a harm to the mental or psychological capacity or emotional stability of a child as testified to by a qualified mental health professional. Cultural differences shall be taken into account in the diagnosis and determination of emotional injury;

(17) "Emotional injury" means an injury to the mental or psychological capacity or emotional stability of a child as evidenced by a substantial and observable impairment in his ability to function within a normal range of performance and behavior with due regard to his culture which injury may be directly attributable to the failure, refusal or incapacity;

(18) "Foster family home" means a private home in which children are placed for foster family care under supervision of the department or a licensed child-placing agency;

(19) "Habitual truant" means any child who has been absent from school without valid excuse for more than three (3) days, or tardy on more than three (3) days, is a truant. Any child who has been reported as a truant more than three (3) times is a habitual truant. Being absent for less than half of a school day shall be regarded as being tardy.

(20) "Hospital" means a state mental hospital or institution or other public or private hospital, institution, health care facility, or part thereof, other than designated secure psychiatric facilities or residential treatment facilities, licensed and approved by the Commonwealth as equipped to provide residential care and treatment for mentally disordered children, or which is a part of, or has affiliation agreements with, the department for the care of such children;

(21) "Informal adjustment" means that order entered by a court after the filing of a petition, which reflects the decision of the court that the best interest of the child would be served without formal adjudication and disposition;

(22) "Mental health care program" means a non-residential service providing children psychological or psychiatric treatment for emotional, mental, or behavioral problems;

(23) "Mental health group home" means a community based home-like facility established for serving not less than four nor more than eight mentally disordered children. Such home shall not be adjacent to or part of an institutional campus. The children in such a group home shall participate in a treatment program developed by a mental health professional;

(24) "Mentally disordered" means a child with substantially impaired capacity to use self-control, judgment or discretion in the conduct of his affairs and social relations, associated with maladaptive behavior or recognized emotional symptoms which can be related to physiological, psychological or social factors;

(25) "Non-secure facility" is a setting not characterized by the use of physically restricting construction, hardware and procedures and which provides its residents access to the surrounding community;

(26) "Parent" means any person who is the mother or father of a child and includes adoptive parents and punative father;

(27) "Person exercising similar custodial control or supervision of the child" means any person who may have assumed the role and responsibility of parent or guardian for the child, but who does not necessary have legal custody of the child;

(28) "Physical injury" means substantial physical pain or any impairment of physical condition;

(29) "Public offense petition" means that document filed with the circuit clerk which incorporates the allegations of criminal conduct contained in the complaint and which document established the jurisdiction of the court for public offenses;

(30) "Qualified mental health professional" means:

(a) A physician licensed under the laws of Kentucky to practice medicine or osteopathy, or a medical officer of the government of the United States while engaged in the performance of his official duties.

(b) A psychiatrist licensed under the laws of Kentucky to practice medicine or osteopathy, or a medical officer of the government of the United States while engaged in the practice of his official duties, and who has completed a residency in psychiatry in an accredited school of medicine and is certified or eligible to apply for certification by the American board of psychiatry and neurology, inc.

(c) A licensed psychologist at the doctoral level or certified at the master's level under the provisions of KRS Chapter 319 who has been designated by the Kentucky board of examiners of psychology as competent to make examinations under this statute.

(d) A licensed registered nurse with a master's degree in psychiatric nursing from an accredited institution and two (2) years of clinical experience with mentally disordered persons.

(e) A licensed certified clinical social worker means a person certified for the independent practice of clinical social work under the provisions of KRS Chapter 335.

(31) "Residential treatment facility" refers to any facility over eight (8) beds designated by the department, in which a child may reside for the purpose of receiving treatment for a mental disorder. The treatment program of such facilities shall be supervised by qualified mental health professionals;

(32) "School personnel" means those certified persons under the supervision of the local public or private education agency;

(33) "Secretary" means the secretary for the department for human resources;

(34) "Secure detention facility" is a physically secure setting which is entirely separated from sight and sound from all other portions of the jail containing adult prisoners or a facility operated so as to insure that all entrances and exits are under the exclusive control of the staff;

(35) "Secure facility for residential treatment" means any setting which assures that all entrances and exists are under the exclusive control of the staff, and in which a child may reside for the purpose of receiving treatment;

(36) "Secure psychiatric facility" means a mental institution or residential facility, or part thereof, designated by the secretary for the purpose and function of providing inpatient evaluation, care and treatment for the mentally disordered children who are alleged to have committed or have been adjudicated of a felony, or are charged with or have been convicted of a felony;

(37) "Serious physical injury" means physical injury which creates a substantial risk of death or which causes serious and prolonged disfigurement, prolonged impairment of health or prolonged loss or impairment of the function of any bodily organ;

(38) "Status offense" is any action brought in the interest of a child who is accused of committing acts, which if committed by an adult would not be a crime. Such behavior shall not be termed criminal or delinquent, and such children shall not be considered delinquent. Status offenses include instances in which the child who has previously been adjudicated a status offender and who has subsequently violated a court order and is found to be in contempt of court. Status offenses do not include violations of state or local ordinances which may apply to juveniles such as a violation of curfew or possession of alcoholic beverages;

(39) "Violation" means any offense, other than a traffic infraction, for which a sentence to a fine only can be imposed;

(40) "Youthful offender" means any person regardless of age, transferred to circuit court under the provisions of this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) Unless otherwise exempted by this Act, the juvenile session of the district court of each county shall have exclusive jurisdiction in proceedings concerning any child living, or found within the county who has not reached his eighteenth birthday or of any person who at the time of committing a public offense was under the age of eighteen (18) years, who:

(a) Has committed a public offense, except a moving motor vehicle offense, involving a child sixteen (16) years of age or older. The court shall not have jurisdiction in any prosecution of a moving motor vehicle offense involving a child sixteen (16) years of age or older. Juvenile offenders sixteen (16) years of age or older accused of moving motor vehicle offenses shall be treated as any adult offender; provided, however,

that the term "moving motor vehicle offense" shall not be deemed to include the offense of stealing or converting a motor vehicle nor operating the same without the owner's consent, nor any offense which constitutes a felony; or

(b) Does not subject himself to the reasonable control of his parents, teacher, guardian or custodian, by reason of being wayward or habitually disobedient; or

(c) Is an habitual truant from his parent or person exercising custodial control or supervision of the child, or from school; or

(d) Is found by the court to be dependent, neglected, or abused; or

(e) Is found by the court to be mentally disordered and dangerous.

(2) Actions brought under subsection (1)(a) of this section shall be considered to be delinquency actions.

(3) Actions brought under subsection (1)(b) and (c) of this section shall be considered to be status actions.

(4) Actions brought under subsection (1)(d) of this section shall be considered to be dependency actions.

(5) Actions brought under subsection 1(e) of this section shall be considered to be mental health actions.

(6) In addition to informal adjustment, the court shall have the option of amending the petition to reflect jurisdiction pursuant to KRS Chapter 208B, C, D, E, F, or G.

(6) Nothing in this chapter shall deprive other courts of the jurisdiction to determine the custody or guardianship of children upon writs of habeas corpus, or to determine the custody or guardianship of children when such custody of guardianship is incidental to the determination of other causes pending in such other courts; nor shall anything in this chapter affect the jurisdiction of circuit courts over adoptions and proceedings for termination of parental rights. The court shall have no jurisdiction to make permanent awards of custody of a child, but if the court finds an emergency to exist affecting the welfare of a child, it may make temporary orders for its custody, pending the outcome of proceedings in circuit court to determine its permanent custody. Such orders shall be entirely without prejudice to the proceedings for permanent custody of the child, and shall remain in effect until modified or set aside by the court. Upon the entry of a temporary or final judgment in the circuit court, awarding custody of such child, all prior orders of the juvenile court in conflict therewith shall be deemed cancelled.

(7) The court of each county wherein a public offense, as defined in paragraph (a) of subsection (1) of this section, is committed by a child who is a resident of another county of this state, shall have concurrent jurisdiction over such child with the court of the county wherein the child resides, or the court of the county where the child is found. Whichever court first acquires jurisdiction of such child may proceed to final disposition of his case, or, in its discretion may make an order transferring the case to the court of the county of his residence, or the county wherein the offense was committed, as the case may be

(8) The court shall have exclusive jurisdiction of persons charged with violations of KRS 530.060 and 530.070. Any person, over whom the court has jurisdiction under this subsection shall be entitled to a trial by jury.

(9) In the event a child who has not reached his eighteenth (18th) birthday commits a new offense while under the jurisdiction of the court or during the period of commitment the court shall have exclusive, original jurisdiction of the new offense.

(10) The probate session of the district court is the preferred forum for transfer of temporary custody when such transfer is not contested and is not the result of a matter involving dependency, abuse or neglect.

SECTION 5. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) In proceedings in the juvenile court, no court fees shall be charged against, and no witness fees shall be allowed to, any party to a petition. No public officer shall be entitled to receive any fee from the service of process or for attendance in court in any such proceedings. All other persons acting under orders of the court may be paid, for service of process and attendance as witnesses, the fees provided by law for like services in civil cases in the circuit court, the payments to be made out of the county treasury. The county or state may compensate any officer or person in the amount prescribed by law for the detention or return of any person to the jurisdiction of the court, and funds for this purpose may be appropriated and paid by the fiscal court.

(2) For the purpose of paying salaries and expenses necessary to carry out the purposes of this Act the fiscal court of any county may levy taxes and make appropriations, within constitutional limitations. The legislative body of any city also is authorized to appropriate funds to assist the county in carrying out the purposes of this Act, including providing facilities for custody and care of children coming within the purview of this Act.

SECTION 6. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) The chief district judge may appoint a board of not less than six (6) nor more than ten (10) reputable inhabitants to be called the advisory board of the juvenile court. The members of the board shall hold office during the pleasure of the judge, and shall serve without compensation.

(2) The board shall visit at least once a year all institutions in the county receiving children under this Act, and may visit any family home or boarding home in the county receiving children under this Act. At least two (2) of the members of the board shall go together on the visits, and shall make a report to the board. The board shall report to the juvenile court from time to time the condition of the children in the institutions or homes and shall make an annual report to the juvenile court.

(3) The board shall advise and cooperate with the chief district court judge upon all matters affecting the workings of this Act, and shall recommend to the court any needful measures for the purpose of carrying out the provisions of this Act. The appointment and utilization of such advisory boards by each district court judge is recommended by the general assembly as a matter of policy.

SECTION 7. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) In counties containing a city of the first or second class, the county judge/executive may appoint a chief probation officer of the juvenile court and such number of assistant probation officers, professional and clerical personnel as may be authorized by the fiscal court. Such officers shall receive reasonable salaries to be fixed by the fiscal court, and shall be allowed their actual and necessary expenses incurred in the performance of their duties. The salaries and expenses shall be paid out of the county treasury. The officers shall serve at the pleasure of the county judge/executive. The officers shall be peace officers, with all the powers of the sheriff in making arrests and carrying out the purposes of this chapter. A probation officer may take into custody any child that he has reasonable grounds to believe is in violation of conditions of his or her probation, and detain such child for appropriate action by the court.

(2) In counties containing an urban-county government, the mayor shall appoint a chief probation officer of the juvenile division of the district court and such number of assistant probation officers, professional and clerical personnel as are reasonably necessary for the operation of the juvenile division of the district court. Such officers shall receive reasonable salaries to be fixed by the urban-county council, and shall be allowed their actual and necessary expenses incurred in the performance of their duties. The salaries and expenses shall be paid out of the urban-county treasury. The officers shall serve at the pleasure of the mayor but shall be subject to the direction and control of the judges of the district court in the performance of their duties. The officers shall be peace officers, with all the powers of the sheriff in making arrests and carrying out the purposes of this chapter. A probation officer may take into custody any child that he has reasonable grounds to believe is in violation of conditions of his or her probation, and detain such child for appropriate action by the court.

(3) In any county, the district court may appoint or designate one or more discreet persons of good moral character to serve as volunteer probation officers of the juvenile court. Such officers shall serve during the pleasure of the judge and without compensation, except that the fiscal court or the urban-county council, as appropriate, may authorize the payment of compensation and reasonable expenses out of the county or urban-county treasury of any such officers. Representatives of the department for human resources may be appointed or designated as such volunteer probation officers, but without compensation from county funds.

SECTION 8. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) A child welfare worker may be, upon the recommendation of the secretary for human resources, appointed by the governor to act as a peace officer in carrying out the purpose of this Act. If the department deems it necessary, it may appoint a child welfare worker to cooperate with the court.

(2) Probation officers of the court shall:

(a) Make investigations as provided in Sections 13 and 69 of this Act.

(b) Be present in court to represent the interest of the child when the cases investigated by them are heard; furnish such information as may be required; advise with the court as to the proper disposition of the case and take such charge of the child before and after the hearings as may be ordered.

(c) Visit and supervise children placed on probation and as far as practicable, aid and encourage such children, by friendly advice and admonition, to keep terms of their probation, and provide for their rehabilitation.

(d) Make such reports and records as may be required by the court

(e) Supervise the transfer of children to and from homes or institutions as directed by the court.

(f) Work in cooperation with the representatives of the department.

(3) The administrative office of the courts shall be responsible to annually certify the number of court designated workers necessary in each district to carry out responsibilities delineated in Sections 13 and 69 of this Act. The administrative office of the courts shall further be responsible for establishing minimum standards regarding qualifications of court designated workers and shall make such arrangements as are necessary to facilitate the implementation of Sections 13 and 69 of this Act.

SECTION 9. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) A special record book shall be kept by the court for all cases, to be known as the "juvenile record," and the docket or calendar of such cases shall be called the "juvenile docket."

(2) No probation officer, nor employe of a probation officer, shall, without the consent of the district judge sitting in juvenile session divulge or communicate to any persons other than the court, a member of the advisory board of the court, or a representative of the department, any information obtained pursuant to the discharge of his duties, nor shall any record of the action of the probation officer be made public except by leave of the district judge: provided, that nothing in this subsection shall prohibit the probation officer from divulging or communicating such information to the court, to his colleagues or superiors in his own department, to another probation officer having a direct interest in the record or social history of the child, or to a representative of any public or private social agency, institution, hospital or church having a direct interest in the record or social history of the child.

(3) All police records regarding children who have not reached their eighteenth (18th) birthday shall not be opened to scrutiny by the public. However, such police records shall be made available to the family, guardian or legal representative of the child involved. Such records shall also be made available to the court, probation officers, representatives of the department, or to a representative of any public or private social agency, institution, hospital or church having a direct interest in the record or social history of the child.

(4) This section shall relieve the probation officer or police officer from divulging such facts as a witness on the trial of any case, or the hearing of any proceedings, or the production of such records for use in such trial or proceedings; except that the facts may be divulged or the records produced where the case on trial is an appeal from the juvenile court's order, or a case transferred to circuit court from district court pursuant to Section 96 of this Act, and the facts or records relate directly to the child's participation in the offense with which he is charged, if any.

SECTION 10. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

Except as otherwise provided in this Act:

(1) Whenever any person informs the juvenile court that a child is within the purview of this Act, the court shall make a preliminary inquiry to determine whether the interests of the public or of the child require that further action be taken. Thereupon the court may make such informal adjustment as is practicable without a petition, or a petition for proceedings concerning the child may be filed by any person. The petition and all subsequent court documents shall be entitled: "In the interest of , a child."

(2) The petition shall be verified and may be upon information and belief. It shall set forth plainly:

(a) The facts which bring the child within the purview of this Act;

(b) The name, age and residence of the child;

(c) The name and residence of each parent;

(d) If the child has a legal guardian other than a parent, the name and residence of such guardian;

(e) If no parent or guardian is known or can be found, the name and residence of the nearest known adult relative of the child;

(f) If the child is in the custody or control of a person other than the parent, guardian or nearest adult relative, the name and residence of such person.

(3) If any of the facts required to be stated in the petition are not known by the petitioner, the petition shall so state.

(4) After a petition has been filed and after such further investigation as the court may direct, unless the parties appear voluntarily, the court shall issue a summons briefly reciting the substance of the petition and requiring the person who has the custody or control of the child to appear personally and bring the child before the court at a time and place stated. If the person so summoned is other than a parent or guardian of the child, the parent or guardian or both shall also be notified of the pendency of the proceeding and of the time and place appointed. Summons may be issued requiring the appearance of any other person whose presence, in the opinion of the judge, is necessary.

(5) If it appears to the court, by affidavit or by sworn testimony, that the child is in such condition or surroundings that he is being harmed or threatened with harm to such a degree that his best interest requires that his custody be immediately assumed by the court, the judge may sign an order giving temporary custody of the child to the court. As a part of such order, the court may request that the child shall be picked up by the peace officer serving the summons or by any other peace officer and placed as directed by the court. In any event, a copy of the temporary custody order shall be served on the parent, guardian or custodian of the child when the summons is served. The temporary custody order shall be effective until the case is heard on its merits, or until modified by the court. As a result of such order, the child shall be placed in custody and care in a family home or other suitable facility provided for under subsection (4) of this section, or in a facility operated by the department if the department is willing to receive the child or in a facility operated by a licensed child-caring institution or agency, and held therein pending further disposition of the court.

(6) The summons and notice provided for in subsection (4) of this section shall be served personally by the delivery of a copy thereof to the person summoned, unless the judge is satisfied that personal service would be impracticable, in which event the judge may order order service by mail addressed to the last known address, or by publication, or both. Service by mail shall be deemed to be effected upon mailing, and service by publication shall be deemed to be effected upon publication. It shall be sufficient to confer jurisdiction if service is effected at least forty-eight (48) hours before the time for appearance specified in the summons or notice.

(7) Service of summons or notice may be made by any suitable person under the direction of the court, and upon request of the court shall be made by any peace officer.

(8) Any person summoned who, without reasonable cause, fails to appear, may be proceeded against for contempt of court. In case the summons cannot be served, or the parties served fail to appear, or in any case when it appears to the judge that the service will be ineffectual, or that the welfare of the child requires that he be brought forthwith into the custody of the court, a warrant may be issued for the parent, guardian, person having custody and control, or the child.

SECTION 11. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

Unless otherwise exempted in this Act, a child shall have a right to counsel at any hearing determining its right to freedom pending the disposition of its case, and its parents or other responsible person shall have a right to attend the hearing if such attendance will not unnecessarily delay the hearing. Any person aggrieved by a proceeding under this subsection may proceed by habeas corpus to the circuit court.

SECTION 12. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) All cases involving children brought before the court shall be granted a speedy hearing and shall be dealt with by the court at separate hearings and without a jury except that a trial by jury may be had in accordance with the provisions of Section 4(8) of this Act. The hearings may be conducted in an informal manner. The general public shall be excluded and only the immediate families or guardians of the parties before the court, witnesses necessary for the prosecution and defense of the case, the probation worker with direct interest in the case, such persons admitted as the judge shall find have a direct interest in the case or in the work of the court, and such other persons as agreed to by the child and his attorney may be admitted to the hearing. Witnesses shall be admitted to the hearing only for the duration of their testimony.

(2) Juvenile proceedings shall consist of two distinct hearings, an adjudication and a disposition, which may, upon motion of the child, the parent or the court be held on separate days.

(a) The adjudication shall determine the truth or falsity of the allegations in the petition and shall be made on the basis of an admission or confession of the child to the court or by the taking of evidence.

(b) Unless otherwise exempted, upon motion by any child brought before the court on a petition under Section 4(a), (b), or (c) of this Act, the Rules of Criminal Procedure shall apply to all matters involved in the adjudication of the case. All adjudications shall be supported by evidence beyond a reasonable doubt.

(3) Unless the child is proceeded against in accordance with the law governing crimes as provided in KRS Chapter 208F of this Act, the disposition of any child under the provisions of this Act, or any evidence given in the case, shall not be lawful evidence against the child for any purpose, except in subsequent cases involving the same child under this Act.

(4) In the case of any child brought before the court on a petition under Section (1)(d), the rules of evidence and procedure described in subsection (3) of this section shall apply.

SECTION 13. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) Before making disposition of the case of a child brought before the court, whether by petition pursuant to Section 10 of this Act, or by reason of having been taken into custody pursuant to Section 80 of this Act, the judge shall cause an investigation to be made, concerning the nature of the specific act complained of, and any circumstances surrounding the child which throw light on the future care and guidance which should be given the child. The investigation shall include an inquiry into the child's age, habits, school record, general reputation and everything that may pertain to his life and character. The investigation shall also include an inquiry into the home conditions, life and character of the person having custody of the child. The result of the investigation shall be reported in writing to the judge previous to the final hearing of the child's case, and shall become a part of the record of the proceedings.

(2) The investigation shall be conducted by volunteer or salaried probation officers of the juvenile court or by a suitable public or private agency. The department may furnish investigation services under agreements with the individual juvenile courts. For this purpose, any county judge/executive may enter into a contract on behalf of his county with the department for the furnishings of such services.

(3) Before proceeding to determine the truth or falsity of the allegations in a petition, the court may decide whether or not the petition should be dismissed, continued for an informal adjustment or set for adjudication. An informal adjustment may be made at any time during the proceedings. Upon motion

of any party, at the successful completion of an informal adjustment, as approved by the court, the court shall dismiss the petition.

(4) The court shall insure that all constitutional rights shall be afforded the parties.

SECTION 14. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

If the court determines that a formal proceeding is required to determine the truth or falsity of the allegations against the child, a petition, sworn to by the complainant, shall be required pursuant to Section 10 of this Act, and the court shall, when the child is brought before the court:

(1) Explain to the child and his parents, relative, guardian, or custodian their respective rights to counsel and, if the child and his parents, relative, guardian, or custodian are unable to obtain counsel, shall appoint counsel for the child and may appoint counsel for the parents, relative, guardian, or custodian;

(2) Explain the privilege against self-incrimination by saying that the child, parents, relative, guardian, or custodian may remain silent concerning the charges against the child, and that anything said may be used against the child and result in his commitment to the department or an institution for juvenile delinquents;

(3) Explain the right to confront anyone who has accused the child and to cross-examine that person on the allegations made against the child;

(4) Advise the child and his parents, relative, guardian, or custodian of the right to appeal from a determination of the court;

(5) Advise the child that these rights belong to him and may not be waived by his parents, relative, guardian, or custodian.

SECTION 15. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) The disposition shall determine the action to be taken by the court on behalf of, and in the best interest of, the child. Unless otherwise specified by the court, the disposition shall be limited to an informal adjustment of the matter between the parties and the court. The provisions of Section 13 of this Act shall be conditions precedent to any commitment, court-ordered probation, restitution, or other disposition enforceable by the authority of the court. No public or private agency or body, or party before the court, shall participate in any order of the court unless it receives from the court a verified statement, signed by the juvenile judge, that the rights enumerated in subsections (3) and (4) of Section 14 were granted to the child during the proceedings in juvenile court.

(2) At the disposition all information helpful in making a proper disposition, including oral and written reports, may be received by the court in compliance with subsection (1) of this section and relied upon to the extent of their probative value, provided that the parties or their counsel shall be afforded an opportunity to examine and controvert the reports and cross-examine the individuals making the reports.

(3) The court shall notify the law enforcement agency of the child's county of residence and the law enforcement agencies where any offense was committed by the disposition of each case and of each child committed by the court who is placed in a residential treatment facility by the department.

(4) Whenever any court commits a child to the department or whenever a juvenile court commits a child to any institution or agency, the court shall cause to be transmitted to the department, institution or agency a certified copy of the commitment order, together with a summary of the court's information concerning the child. The child shall be held by virtue of the order, and the certified copy of the order shall be proof of the authority of the department, institution or agency in behalf of the child. Such certified order shall be sufficient authority for any law enforcement officer to detain any person named therein and deliver him to such a place as shall be directed by the department, institution or agency given custody of him in the order.

SECTION 16. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) In support of any order or decree, the court may require the parents or other person having custody of a child, or any other person who has been found by the court to have engaged in an unlawful transaction with a minor or endangered the welfare of a minor or in any way encouraging, causing or contributing to the acts or conditions which bring the child within the purview of this Act to do any acts required by law or to desist from doing any acts forbidden by law, when the court deems such requirement necessary for the welfare of the child. The court may, in its discretion, order the appearance of the parents, relative, guardian, custodian, or other person having custody of the child at any court hearing involving the child. In case of failure to comply with any orders entered pursuant to the provisions of this section, the court may proceed against such persons for contempt of court.

(2) If it appears that the parent of any child, or the estate of any child, who has been found to fall within the purview of this chapter and who has been left in his own home or in the home of a relative, placed on probation or placed in a foster home or boarding home, or in the care of a public or private institution or agency, or the department, is able to contribute to the support of the child, the court shall

enter an order requiring the parent or estate to pay a reasonable sum for the support, maintenance or education of the child. The order shall direct that the money be paid to the circuit clerk to be disbursed as ordered by the court or be paid to the person, institution, agency or department to which the child was committed or probated. On application and on such notice as the court may direct, the court may make alterations in the requirement for contribution. The court may issue such orders necessary to compel payment of the sum due. The enforcement of a sentence imposed on a parent who fails to comply with the order of the court may be suspended at the discretion of the court, but the suspension may be revoked at the discretion of the court upon the failure of the parent to obey further orders of the court.

(3) A parent or guardian having custody of a child is charged with the control of such child and shall have the power to exercise parental control and authority over such child. In any case where a child is found delinquent and placed on probation, if the court finds at the hearing that the parent having custody of such child has failed or neglected to subject him to reasonable parental control and authority, and that such failure or neglect is the proximate cause of the act or acts of the child upon which the finding of delinquency is based, the court may require such parent to enter into a recognizance with sufficient surety, in an amount of not more than five hundred dollars ($500), conditioned upon the faithful discharge of the conditions of probation of such child. If the child thereafter commits a second act and is by reason thereof found delinquent, or violates the conditions of probation, and the court finds at the hearing that the failure or neglect of such parent to subject him to reasonable parental control and authority or to faithfully discharge the conditions of probation of such child on the part of such parent, is the proximate cause of the act of the child upon which such second finding of delinquency is based, or upon which such child is found to have violated the conditions of his probation, the court may declare all or a part of the recognizance forfeited and the amount of such forfeited recognizance shall be applied in payment of any damages which may have been caused by such child, if there be such damages, otherwise, the proceeds therefrom, or part remaining after the payment of damages as aforesaid, shall be retained by the court to apply to any future damages resulting from the act or acts of said child before he reaches his eighteenth birthday, at which date the remaining proceeds shall be returned to the parent or guardian. The provisions of this section as it relates to failure or neglect of parents to subject a child to reasonable parental control and authority shall be in addition to and not in substitution for any other sections of this chapter relating to failure or neglect to exercise such parental control or authority. The provisions of this section shall not apply to foster parents.

(4) In placing a child on probation in a family home or boarding home, or in committing a child to a private institution or agency, the court shall as far as practicable select a home, institution or agency operated or governed by persons of the same religious faith as the parents of the child.

SECTION 17. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

Unless otherwise exempted,

(1) An appeal to the circuit court may be taken as a matter of right from the juvenile session of the district court from all orders and judgments whereby any infant, or other person, shall be restrained of his liberty, or placed in the custody of any institution, or fined or punished in any manner. The appeal shall be taken in the manner provided in the Rules of Criminal Procedure, and the circuit court shall, in the best interest of the child, hear such cases as soon as reasonably possible.

(2) A child's right to release during the pendency of an appeal shall be determined by a hearing held in circuit court to decide whether the circumstances surrounding the child are such as to endanger its safety or welfare or that of the community, or to indicate that the child cannot reasonably be expected to be present for the hearing of the appeal. Release hearings shall be held within three days after the filing of the appeal. The child shall have a right to counsel at such a hearing. The Commonwealth shall bear the burden of proof at such hearings and the decision shall be based upon a preponderance of the evidence. If the child is not released, the court shall order that a judgment of the juvenile court committing the child shall be effective pending appeal. Any party aggrieved by a denial of release pending appeal may appeal to the Court of Appeals.

(3) Any party aggrieved by the appellate decision of a circuit court made pursuant to subsection (1) may appeal to the Court of Appeals in the manner provided in the Rules of Criminal Procedure. The Court of Appeals shall, in the best interest of the child, hear such cases as soon as reasonably possible. A child's right to release pending this appeal shall be determined by the circuit court in the same manner described in subsection (2) of this section.

(4) Any party aggrieved by a proceeding under Section 4(1)(d) of this Act, may appeal from the juvenile court to the circuit court as a matter of right in the manner provided in Rule 72, Kentucky Rules of Civil Procedure. The circuit court may order that the child may be removed to a suitable place, pending the appeal, if it appears by affidavit or sworn testimony that the child would be in imminent danger if left with or returned to its parents, guardian, or other person party to the appeal.

SECTION 18. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) Except as otherwise provided by subsections (4) and (5) of Section 90, an order of commitment or an order of protective supervision or probation made by the court in the case of a child may be terminated at any time prior to expiration on the court's own initiative or on motion by:

(a) A child who is affected by an order of juvenile session of district court;

(b) The family, custodian, guardian, or legal representative of such a child;

(c) The county attorney of the county in which the committing court presides; or

(d) Any other person having an interest in the welfare of the child.

(2) Grounds for such action may include but are not limited to allegations that there has been a substantial change of material circumstances, there exists new evidence affecting the disposition of the child, the child is no longer in need of commitment, probation, or placement, the child has not received adequate and proper treatment, the original proceedings were not conducted in the manner required by law or the public interest requires termination of the order. Upon review of the child's case, the department, any agency, institution or individual responsible for the supervision, care or treatment of the child, shall divulge and communicate such information regarding the child as the court may require.

SECTION 19. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) When the court issues a temporary order for the custody of a child pursuant to the provisions of the Section 41 of this Act, the Court shall cause a child to receive a thorough medical, visual, and dental examination, within two (2) weeks, and at least every year after temporary placement, by a professional authorized by the Kentucky Revised Statutes to conduct such examinations.

(2) When the health or physical condition of any child before the juvenile court requires it, the court may order the child to be placed in a public hospital or institution for treatment or special care, or in a private hospital or institution which will provide treatment and care. In order to ascertain the physical condition of a child, the court may cause the child to be examined by a health officer or children's clinic or any reputable physician who will conduct the examination.

(3) The court may order or consent to necessary medical treatment, including surgical procedures, except for the purpose of abortion or sterilization, after a hearing conducted to determine the necessity of such treatment or procedure. Reasonable notice, taking into account any emergency circumstances, shall be provided to the parents, guardian or custodian of the child to enable them to attend the hearing.

SECTION 20. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) Any person who has been adjudicated as coming within the purview of this Act, may petition the court for the expungement of his record. He shall be informed of such right at the time of adjudication. The court on its own motion, or on the motion of a probation officer of the court or of a representative of the department or any other interested person, may initiate expungement proceedings concerning the record of any child who has been under the jurisdiction of the court. Such petition shall be filed or such court order entered no sooner than two years after the date of termination of the court's jurisdiction over the person, or two years after his unconditional release from commitment to the department for human resources or a public or private agency, except that the two-year period may be waived if the court finds that such extraordinary circumstances exist with regard to the petitioner as to make the waiver advisable.

(2) Upon the filing of a petition or entering of a court order, the court shall set a date for a hearing and shall notify the county attorney and anyone else whom the court or the child, his parents, relatives, guardian, or custodian has reason to believe may have relevant information related to the expungement of the record.

(3) The court shall order sealed all records in the petitioner's case in the custody of the court and any such records in the custody of any other agency or official; including police records, if at the hearing the court finds that:

(a) Since the termination of the court's jurisdiction or his unconditional release from commitment to the department or a public or private agency, the person whose record is in question has not been convicted of a felony, and has not been adjudicated under Section 4(1)(a) of this Act;

(b) No proceeding concerning a felony and no petition under Section (4)(1)(a) of this Act is pending or being instituted against him.

(4) Upon the entry of an order to seal the records, the proceedings in the case shall be deemed never to have occurred, and all index references shall be deleted and the person and court may properly reply that no record exists with respect to such person upon any inquiry in the matter.

(5) Copies of the order shall be sent to each agency of official named therein.

(6) Inspection of the records included in the order may thereafter be permitted by the court only upon petition by the person who is the subject of such records, and only to those persons named in such petition.

SECTION 21. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

Any peace officer who conveys a child from the committing court or from the detention facility of the committing court to an institution or facility operated by the department shall be allowed an amount prescribed by regulation adopted by the executive department for finance and administration calculated by the nearest traveled route, and shall be paid for all necessary expenses for feeding, lodging and transporting the child. The officer shall make out a full account of all expenses so incurred by him and give the distance traveled. The account shall be verified by the officer upon oath before the district court and certified by the circuit clerk to the department, for payment out of funds appropriated for the purpose. The child's presence shall be necessary at a post-disposition proceeding only as required by court order. Expenses for transportation of a child to such a proceeding from an institution or facility operated by the department shall be paid out of the state treasury.

(2) No female child shall be transported to any institution, pursuant to order of any court or direction of the department, unless accompanied by a female attendant, or, when authorized in writing by the court or department, by a parent, grandparent, or adult brother or sister. Any such relative shall not be reimbursed out of public funds for travel or other expenses incurred in so accompanying the child.

(3) The agent of any institution who receives a female transported to the institution shall report any violation of subsection (1) of this section to the Commonwealth's attorney of the judicial circuit in which the institution is located.

SECTION 22. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) Any child committed to the department may on the recommendation of the child welfare worker, at any time during the period of his commitment, be:

(a) Discharged from commitment, unless after notice of discharge the court directs otherwise or he was committed by a circuit court upon a felony conviction and was given a sentence the period of which will extend beyond the age of twenty-one. Notice of discharge must be given to the committing court and to any other parties as may be required by law;

(b) Placed in the home of his parents, or in a suitable foster home, family home or boarding home, upon such conditions as the department may prescribe and subject to visitation and supervision by a child welfare worker;

(c) Placed in one of the institutions operated by the department;

(d) Placed in a child-caring institution operated by a local governmental unit or by a private organization willing to receive the child, upon such conditions as the department may prescribe;

(e) Disposed of as provided in KRS Chapter 208G.

(2) The department shall notify the juvenile court of the county of placement with the conditions of supervised placement of each child placed in that county from one of the residential treatment facilities operated by the department. Notice of the conditions of such placement may be made available by the court to any law enforcement agency.

(3) The person in charge of any home to which a child is probated, and the governing authority of any private institution or agency to which a child is committed, shall make such reports to the court as the court may require, and such reports as the department may require in the performance of its functions under the law. The department shall have the power to make such visitations and inspections of the homes, institutions and agencies in which children who have committed public offenses have been placed as it deems necessary to carry out its functions under the law.

(4) The department may assist the courts in placing children (who have committed public offenses) in family homes or boarding homes, and, under agreements with the individual courts, may assume responsibility for making such placements. Counties may pay or contribute towards the expenses of maintaining such children in family homes or boarding homes and, to the extent authorized by the fiscal court, the department may incur obligations chargeable to the county for such expenses.

SECTION 23. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) The department shall arrange for a program of care, treatment and rehabilitation of the children committed to it, which program shall be designed to provide for classification, segregation and specialized treatment of children according to their respective problems, needs and characteristics, and to provide a coordinated system of probation and parole services.

(2) The department shall be responsible for the operation, management and development of the existing state institutional physical facilities for the custodial care or reformation of children, but not including educational institutions or institutions designed primarily for the care or treatment of mentally or physically handicapped children. The department shall further be responsible for the development of such additional institutional physical facilities and other necessary physical facilities, such as forestry camps, farms, or vocational training facilities, as are necessary to provide an adequate and modern program for the care, treatment and rehabilitation of children.

(3) The institutional facilities under the control of the department shall be designed and operated in such a manner as to rehabilitate, train, develop and educate the children to become good citizens and useful members of society.

(4) Suitable programs of vocational education and training shall be carried on in the institutions, with the view of preparing the children for future self-support.

(5) The children in each institution shall be employed so far as practicable in labor incident to the maintenance and operation of the institution, and in suitable industries conducted by the institutions as a part of the vocational training program.

(6) The superintendent or managing officer of each institution may use, for the maintenance of the institution, the products of farms, dairies, and other departments and industries of the institution, or may sell or exchange such products for the benefit of the institution.

SECTION 24. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) When any child committed to the department requires medical or surgical care of treatment, the department may provide the same or arrange for the furnishing thereof by other public or private agencies, and may give consent to such medical or surgical treatment, except for the purpose of abortion or sterilization. For this purpose, the services and facilities of local health officers and departments shall be made available to the department, and as far as practicable any publicly-owned hospital shall provide hospitalization without charge for any such child who is a resident of the political subdivision by which the hospital is owned or operated.

(2) Any child placed in a foster family home by an agency duly authorized in KRS Chapter 208B to place a child in a foster family home shall receive a complete medical, visual, and dental examination by a professional authorized by the Kentucky Revised Statutes to conduct such examinations. Any child placed in a foster family home shall receive such examinations within two (2) weeks of being placed in a foster family home and not less than every twelve (12) months thereafter.

(3) Children maintained in any of the institutional facilities operated by the department shall so far as possible receive a common school education. The department shall provide supplemental or special educational programs for those children requiring segregation, restraint or specialized treatment. The department of education, to the extent of available facilities shall assist and cooperate with the department in the educational programs for the institutions.

SECTION 25. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

The department is authorized to expend available funds to provide for the board, lodging and care of children placed on probation by the department in a family home or boarding home, or may arrange for payments or contributions by any local governmental unit, or public or private agency or organization, willing to make payments or contributions for such purpose. The department may accept any gift, devise or bequest made to it for its purposes.

SECTION 26. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) The department may establish and operate regional reception-diagnostic centers for the observation, study and classification of children committed to it. Such children may upon their commitment be placed in a reception center for a period of observation and study. The reception centers shall be furnished with adequate psychiatric, psychological and social services. A case history for each child shall be prepared during his period of observation and study in the reception center. Upon the basis of study and observation in the reception center, the department shall make a recommendation as to the character of treatment or disposition which should initially be provided for the child.

(2) The department may utilize its regional reception-diagnostic centers as detention and evaluation facilities for children whose cases are pending final disposition of the court. This use of the facilities shall be made pursuant to agreement between the department and the individual fiscal courts.

SECTION 27. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) The fiscal court of any county may arrange with the department for the use of its regional reception-diagnostic centers for those cases pending before the district court of its county. The fiscal court is authorized to make such payments as agreed upon with the department for the use of the services and facilities. The use of the department's regional reception-diagnostic centers by the individual district courts shall not give such district courts jurisdiction over the department's regional reception-diagnostic centers.

(2) The fiscal court of any county other than a county containing a city of the first or second class or urban-county government may request in writing that the department operate, maintain and control any secure detention facility for juveniles presently located in the county for which it is responsible. Within ninety (90) days of the receipt of such request the department may take control of and operate and maintain such facility if it meets standards prescribed by the department. If the department's budget permits and

the department does operate, maintain and control such facility, it may accept appropriate children for placement in the facility who may be before the court in counties other than the county in which the facility is located.

(3) Upon the department's agreement to accept control of a secure detention facility for juveniles as prescribed in subsection (2) of this section, the department shall continue to operate the facility unless or until by mutual agreement the control, operation and maintenance of the facility is returned to the fiscal court.

(4) Upon the department's agreement to accept control of a secure detention facility for juevniles as prescribed in subsection (2) of this section, the detention facility and the physical property upon which the facility is located may be transferred to the Commonwealth by deed or by lease as agreeable to the department.

(5) The department may assist the counties in the acquisition, development and furnishing of detention facilities, and may employ available funds for that purpose. The detention facilities may be subject to the supervision of the department, and shall conform to rules and regulations prescribed by the department.

SECTION 28. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

The department is authorized to make available, in a manner and on a basis agreed upon by the parties, for a determinable period of time any surplus real property which it may hold to the Kentucky federation of women's clubs for the purpose of constructing thereon a rehabilitation center for delinquent girls, and to participate with such funds as it may have available in the construction of said center and thereafter in the operation thereof; provided, however, that any action pursuant to this section by the department shall be subject to the prior approval of the commissioner of the executive department for finance and in accordance with any requirements which said commissioner may deem appropriate and necessary in accordance with the applicable laws of this Commonwealth.

SECTION 29. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

INTERSTATE COMPACT ON JUVENILES

The governor is hereby authorized and directed to execute a compact on behalf of this state with any other state or states legally joining therein and, upon the enactment of this section, the Commonwealth of Kentucky shall be deemed a party to the Interstate Compact on Juveniles and shall be deemed to have contracted with each state joining therein, the compact being substantially as follows:

The contracting states solemnly agree:

ARTICLE I
Findings and Purposes

That juveniles who are not under proper supervision and control, or who have absconded, escaped or run away, are likely to endanger their own health, morals and welfare, and the health, morals and welfare of others. The cooperation of the states party to this compact is therefore necessary to provide for the welfare and protection of juveniles and of the public with respect to (1) cooperative supervision of delinquent juveniles on probation or parole; (2) the return, from one state to another, of delinquent juveniles who have escaped or absconded; (3) the return, from one state to another, of nondelinquent juveniles who have run away from home; and (4) additional measures for the protection of juveniles and of the public, which any two or more of the party states may find desirable to undertake cooperatively. In carrying out the provisions of this compact the party states shall be guided by the non-criminal reformative and protective policies which guide their laws concerning delinquent, neglected or dependent juveniles generally. It shall be the policy of the states party to this compact to cooperate and observe their respective responsibilities for the prompt return and acceptance of juveniles and delinquent juveniles who become subject to the provisions of this compact. The provisions of this compact shall be reasonably and liberally construed to accomplish the foregoing purposes.

ARTICLE II
Existing Rights and Remedies

That all remedies and procedures provided by this compact shall be in addition to and not in substitution for other rights, remedies and procedures, and shall not be in derogation of parental rights and responsibilities.

ARTICLE III
Definitions

That, for the purpose of this compact, "delinquent juvenile" means any juvenile who has been adjudged delinquent and who, at the time the provisions of this compact are invoked, is still subject to the jurisdiction of the court that has made such adjudication or to the jurisdiction or supervision of an agency or institution pursuant to an order of such court; "probation or parole" means any kind of conditional *release of juveniles authorized under the laws of the states party hereto; "court" means any court having jurisdiction over delinquent, neglected or dependent children; "state" means any state, territory or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico; and "residence" or any variant thereof means a place at which a home or regular place of abode is maintained.*

ARTICLE IV

Return of Runaways

(a) That the parent, guardian, person or agency entitled to legal custody of a juvenile who has not been adjudged delinquent but who has run away without the consent of such parent, guardian, person or agency may petition the appropriate court in the demanding state for the issuance of a requisition for his return. The petition shall state the name and age of the juvenile, the name of the petitioner and the basis of entitlement to the juvenile's custody, the circumstances of his running away, his location if known at the time application is made, and such other facts as may tend to show that the juvenile who has run away is endangering his own welfare or the welfare of others and is not an emancipated minor. The petition shall be verified by affidavit, shall be executed in duplicate, and shall be accompanied by two certified copies of the document or documents on which the petitioner's entitlement to the juvenile's custody is based, such as birth certificates, letter of guardianship, or custody decrees. Such further affidavits and other documents as may be deemed proper may be submitted with such petition. The judge of the court to which this application is made may hold a hearing thereon to determine whether for the purpose of this compact the petitioner is entitled to the legal custody of the juvenile, whether or not it appears that the juvenile has in fact run away without consent, whether or not he is an emancipated minor, and whether or not it is in the best interest of the juvenile to compel his return to the state. If the judge determines, either with or without a hearing, that the juvenile should be returned, he shall present to the appropriate court or to the executive authority of the state where the juvenile is alleged to be located a written requisition for the return of such juvenile. Such requisition shall set forth the name and age of the juvenile, the determination of the court that the juvenile has run away without the consent of a parent, guardian, person or agency entitled to his legal custody, and that it is in the best interest and for the protection of such juvenile that he be returned. In the event that a proceeding for the adjudication of the juvenile as a delinquent, neglected or dependent juvenile is pending in the court at the time when such juvenile runs away, the court may issue a requisition for the return of such juvenile upon its own motion, regardless of the consent of the parent, guardian, person or agency entitled to legal custody, reciting therein the nature and circumstances of the pending proceeding. The requisition shall in every case be executed in duplicate and shall be signed by the judge. One copy of the requisition shall be filed with the compact administrator of the demanding state, there to remain on file subject to the provisions of law governing records of such court. Upon the receipt of a requisition demanding the return of a juvenile who has run away, the court or the executive authority to whom the requisition is addressed shall issue an order to any peace officer or other appropriate person directing him to take into custody and detain such juvenile. Such detention order must substantially recite the facts necessary to the validity of its issuance hereunder. No juvenile detained upon such order shall be delivered over to the officer whom the court demanding him shall have appointed to receive him, unless he shall first be taken forthwith before a judge of a court in the state, who shall inform him of the demand made for his return, and who may appoint counsel or guardian ad litem for him. If the judge of such court shall find that the requisition is in order, he shall deliver such juvenile over to the officer whom the court demanding him shall have appointed to receive him. The judge, however, may fix a reasonable time to be allowed for the purpose of testing the legality of the proceeding.

Upon reasonable information that a person is a juvenile who has run away from another state party to this compact without the consent of a parent, guardian, person or agency entitled to his legal custody, such juvenile may be taken into custody without a requisition and brought forthwith before a judge of the appropriate court who may appoint counsel or guardian ad litem for such juvenile and who shall determine after a hearing whether sufficient cause exists to hold the person, subject to the order of the court, for his own protection and welfare, for such a time not exceeding ninety days as will enable his return to another state party to this compact pursuant to a requisition for his return from a court of that state. If, at the time when a state seeks the return of a juvenile who has run away, there is pending in the state wherein he is found any criminal charge, or any proceeding to have him adjudicated a delinquent juvenile for an act committed in such state, or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of such state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of any state party to this compact, upon the establishment of their authority and the identity of the juvenile being returned, shall be permitted to transport such juvenile through any and all states party to this compact, without interference. Upon his return to the state from which he ran away, the juvenile shall be subject to such further proceedings as may be appropriate under the laws of that state.

(b) That the state to which a juvenile is returned under this article shall be responsible for payment of the transportation cost of such return.

(c) That "juvenile" as used in this article means any person who is a minor under the law of the state of residence of the parent, guardian, person or agency entitled to the legal custody of such minor.

ARTICLE V

Return of Escapees and Absconders

(a) That the appropriate person or authority from whose probation or parole supervision a delinquent juvenile has absconded or from whose institutional custody he has escaped shall present to the appropriate court or to the executive authority of the state where the delinquent juvenile is alleged to be located a written requisition for the return of such delinquent juvenile. Such requisition shall state the name and age of the delinquent juvenile, the particulars of his adjudication as a delinquent juvenile, the circumstances of the breach of the terms of his probation or parole or of his escape from an institution or agency vested with his legal custody or supervision, and the location of such delinquent juvenile, if known, at the time the requisition is made. The requisition shall be verified by affidavit, shall be executed in duplicate, and shall be accompanied by two certified copies of the judgment, formal adjudication, or order of commitment which subjects such delinquent juvenile to probation or parole or to the legal custody of the institution or agency concerned. Such further affidavits and other documents as may be deemed proper may be submitted with such requisition. One copy of the requisition shall be filed with the compact administrator of the demanding state, there to remain on file subject to the provisions of law governing records of the appropriate court. Upon the receipt of a requisition demanding the return of a delinquent juvenile who has absconded or escaped, the court or the executive authority to whom the requisition is addressed shall issue an order to any peace officer or other appropriate person directing him to take into custody and detain such delinquent juvenile. Such detention order must substantially recite the facts necessary to the validity of its issuance hereunder. No delinquent juvenile detained upon such order shall be delivered over to the officer whom the appropriate person or authority demanding him shall have appointed to receive him, unless he shall first be taken forthwith before a judge of an appropriate court in the state, who shall inform him of the demand made for his return and who may appoint counsel or guardian ad litem for him. If the judge of such court shall find that the requisition is in order, he shall deliver such delinquent juvenile over to the officer whom the appropriate person or authority demanding him shall have appointed to receive him. The judge, however, may fix a reasonable time to be allowed for the purpose of testing the legality of the proceeding.

Upon reasonable information that a person is a delinquent juvenile who has absconded while on probation or parole, or escaped from an institution or agency vested with his legal custody or supervision in any state party to this compact, such person may be taken into custody in any other state party to this compact without a requisition. But in such event, he must be taken forthwith before a judge of the appropriate court, who may appoint counsel or guardian ad litem for such person and who shall determine, after a hearing, whether sufficient cause exists to hold the person subject to the order of the court for such a time, not exceeding ninety days, as will enable his detention under a detention order issued on a requisition pursuant to this article. If, at the time when a state seeks the return of a delinquent juvenile who has either absconded while on probation or parole or escaped from an institution or agency vested with his legal custody or supervision, there is pending in the state wherein he is detained any criminal charge or any proceeding to have him adjudicated a delinquent juvenile for an act committed in such state, or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of such state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of any state party to this compact, upon the establishment of their authority and the identity of the delinquent juvenile being returned, shall be permitted to transport such delinquent juvenile through any and all states party to this compact, without interference. Upon his return to the state from which he escaped or absconded, the delinquent juvenile shall be subject to such further proceedings as may be appropriate under the laws of that state.

(b) That the state to which a delinquent juvenile is returned under this article shall be responsible for payment of the transportation costs of such return.

ARTICLE VI

Voluntary Return Procedure

That any delinquent juvenile who has absconded while on probation or parole, or escaped from an institution or agency vested with his legal custody or supervision in any state party to this compact, and any juvenile who has run away from any state party to this compact, who is taken into custody without a requisition in another state party to this compact under the provision of Article IV (a) or of Article V (a), may consent to his immediate return to the state from which he absconded, escaped or ran away. Such consent shall be given by the juvenile or delinquent juvenile and his counsel or guardian ad litem if any, by executing or subscribing a writing, in the presence of a judge of the appropriate court, which states that the juvenile or delinquent juvenile and his counsel or guardian ad litem, if any, consent to his return to the demanding state. Before such consent shall be executed or subscribed, however, the judge, in the presence *of counsel or guardian ad litem, if any, shall inform the juvenile or delinquent juvenile of his rights under this compact. When the consent has been duly executed, it shall be forwarded to and filed with the compact administrator of the state in which the court is located and the judge shall direct the officer having the juvenile or delinquent juvenile in custody to deliver him to the duly accredited officer or officers of the state demanding his return, and shall cause to be delivered to such officer or officers a copy of the consent. The court may, however, upon the request of the state to which the juvenile or delinquent juvenile is being returned, order him to return unaccompanied to such state and shall provide him with a copy of such court order; in such event a copy of the consent shall be forwarded to the compact administrator of the state to which said juvenile or delinquent juvenile is ordered to return.*

ARTICLE VII

Cooperative Supervision of Probationers and Parolees

(a) That the duly constituted judicial and administrative authorities of a state party to this compact (herein called "sending state") may permit any delinquent juvenile within such state, placed on probation or parole, to reside in any other state party to this compact (herein called "receiving state") while on probation or parole, and the receiving state shall accept such delinquent juvenile, if the parent, guardian or person entitled to the legal custody of such delinquent juvenile is residing or undertakes to reside within the receiving state. Before granting such permission, opportunity shall be given to the receiving state to make such investigations as it deems necessary. The authorities of the sending state shall send to the authorities of the receiving state copies of pertinent court orders, social case studies and all other available information which may be of value to and assist the receiving state in supervising a probationer or parolee under this compact. A receiving state, in its discretion, may agree to accept supervision of a probationer or parolee in cases where the parent, guardian or person entitled to the legal custody of the delinquent juvenile is not a resident of the receiving state, and if so accepted the sending state may transfer supervision accordingly.

(b) That each receiving state will assume the duties of visitation and of supervision over any such delinquent juvenile and in the exercise of those duties will be governed by the same standards of visitation and supervision that prevail for its own delinquent juveniles released on probation or parole.

(c) That, after consultation between the appropriate authorities of the sending state and of the receiving state as to the desirability and necessity of returning such a delinquent juvenile, the duly accredited officers of a sending state may enter a receiving state and there apprehend and retake any such delinquent juvenile on probation or parole. For that purpose, no formalities will be required, other than establishing the authority of the officer and the identity of the delinquent juvenile to be retaken and returned. The decision of the sending state to retake a delinquent juvenile on probation or parole shall be conclusive upon and not reviewable within the receiving state, but if, at the time the sending state seeks to retake a delinquent juvenile on probation or parole, there is pending against him within the receiving state any criminal charge or any proceeding to have him adjudicated a delinquent juvenile for any act committed in such state, or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of the receiving state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of the sending state shall be permitted to transport delinquent juveniles being so returned through any and all states party to this compact, without interference.

(d) That the sending state shall be responsible under this article for paying the costs of transporting any delinquent juvenile to the receiving state or of returning any delinquent juvenile to the sending state.

ARTICLE VIII

Responsibility for Costs

(a) That the provisions of Articles IV (b), V (b) and VII (d) of this compact shall not be construed to alter or affect any internal relationship among the departments, agencies and officers of and in the government of a party state, or between a party state and its subdivisions, as to the payment of costs, or responsibilities therefor.

(b) That nothing in this compact shall be construed to prevent any party state or subdivision thereof from asserting any right against any person, agency or other entity in regard to costs for which such party state or subdivision thereof may be responsible pursuant to Articles IV (b), V (b) or VII (d) of this compact.

ARTICLE IX

Detention Practices

That, to every extent possible, it shall be the policy of states party to this compact that no juvenile or delinquent juvenile shall be placed or detained in any prison, jail or lockup nor be detained or transported in association with criminal, vicious or dissolute persons.

ARTICLE X

Supplementary Agreements

That the duly constituted administrative authorities of a state party to this compact may enter into supplementary agreements with any other state or states party hereto for the cooperative care, treatment and rehabilitation of delinquent juveniles whenever they shall find that such agreements will improve the *facilities or programs available for such care, treatment and rehabilitation. Such care, treatment and rehabilitation may be provided in an institution located within any state entering into such supplementary agreement. Such supplementary agreements shall (1) provide the rates to be paid for the care, treatment and custody of such delinquent juveniles, taking into consideration the character of facilities, services and subsistence furnished; (2) provide that the delinquent juvenile shall be given a court hearing prior to his being sent to another state for care, treatment and custody; (3) provide that the state receiving such a delinquent juvenile in one of its institutions shall act solely as agent for the state sending such delinquent juvenile; (4) provide that the sending state shall at all times retain jurisdiction over delinquent juveniles sent to an institution in another state; (5) provide for reasonable inspection of such institutions by the sending state; (6) provide that the consent of the parent, guardian, person or agency entitled to the legal custody of said delinquent juvenile shall be secured prior to his being sent to another state; and (7) make provision for such other matters and details as shall be necessary to protect the rights and equities of such delinquent juveniles and of the cooperating states.*

ARTICLE XI

Acceptance of Federal and Other Aid

That any state party to this compact may accept any and all donations, gifts and grants of money, equipment and services from the federal or any local government, or any agency thereof and from any person, firm or corporation, for any of the purposes and functions of this compact, and may receive and utilize the same subject to the terms, conditions and regulations governing such donations, gifts and grants.

ARTICLE XII

Compact Administrators

That the Governor of each state party to this compact shall designate an officer who, acting jointly with like officers of other party states, shall promulgate rules and regulations to carry out more effectively the terms and provisions of this compact.

ARTICLE XIII

Execution of Compact

That this compact shall become operative immediately upon its execution by any state as between it and any other state or states so executing. When executed it shall have the full force and effect of law within such state, the form of execution to be in accordance with the laws of the executing state.

ARTICLE XIV

Renunciation

That this compact shall continue in force and remain binding upon each executing state until renounced by it. Renunciation of this compact shall be by the same authority which executed it, by sending six months' notice in writing of its intention to withdraw from the compact to the other states party hereto. The duties and obligations of a renouncing state under Article VII hereof shall continue as to parolees and probationers residing therein at the time of withdrawal until retaken or finally discharged. Supplementary agreements entered into under Article X hereof shall be subject to renunciation as provided by such supplementary agreements, and shall not be subject to the six months' renunciation notice of the present article.

ARTICLE XV

Severability

That the provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstances shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters.

SECTION 30. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

The following provisions apply to the compact described in Section 29 of this Act:

(1) Pursuant to said compact, the governor is hereby authorized and empowered to designate an officer who shall be the compact administrator and who, acting jointly with like officers of other party states, shall promulgate rules and regulations to carry out more effectively the terms of the compact. Said compact administrator shall serve subject to the pleasure of the governor. The compact administrator is hereby authorized, empowered and directed to cooperate with all departments, agencies and officers of and in the government of this state and its subdivisions in facilitating the proper administration of the compact or of any supplementary agreement or agreements entered into by this state thereunder.

(2) The compact administrator is hereby authorized and empowered to enter into supplementary agreements with appropriate officials of other states pursuant to the compact. In the event that such supplementary agreement shall require or contemplate the use of any institution or facility of this state or require or contemplate the provision of any service by this state, said supplementary agreement shall have no force

or effect until approved by the head of the department or agency under whose jurisdiction said institution or facility is operated or whose department or agency will be charged with the rendering of such service.

(3) The compact administrator, subject to the approval of the commissioner of the executive department for finance and administration, may make or arrange for any payments necessary to discharge any financial obligations imposed upon this state by the compact or by any supplementary agreement entered into thereunder.

(4) The courts, departments, agencies and officers of this state and its subdivisions shall enforce this compact and shall do all things appropriate to the effectuation of its purposes and intent which may be within their respective jurisdictions.

(5) In addition to any procedure provided in articles IV and VI of Section 29 of this Act for the return of any runaway juvenile, the particular states, the juvenile or his parents, the courts, or other legal custodian involved may agree upon and adopt any other plan or procedure legally authorized under the laws of this state and the other respective party states for the return of any such runaway juvenile.

(6) The governor is further authorized and directed to execute, with any other state or states legally joining in the same, an additional article to said compact in the form substantially as follows and upon enactment of Section 29 of this Act, the Commonwealth of Kentucky shall be deemed a party to the interstate compact on juveniles and shall be deemed to have contracted with each state joining therein:

That this article shall provide additional remedies, and shall be binding only as among and between those party states which specifically execute the same.

For the purposes of this article, "child," as used herein, means any minor within the jurisdictional age limits of any court in the home state.

When any child is brought before a court of a state of which such child is not a resident, and such state is willing to permit such child's return to the home state of such child, such home state, upon being so advised by the state in which such proceeding is pending, shall immediately institute proceedings to determine the residence and jurisdictional facts as to such child in such home state, and upon finding that such child is in fact a resident of said state and subject to the jurisdiction of the court thereof, shall within five (5) days authorize the return of such child to the home state, and to the parent or custodial agency legally authorized to accept such custody in such home state, and at the expense of such home state, to be paid from such funds as such home state may procure, designate, or provide, prompt action being of the essence.

(7) The governor is further authorized and directed to execute, with any other state or states legally joining in the same, and upon enactment of Section 29 of this Act, the Commonwealth of Kentucky shall be deemed a party to the interstate compact on juveniles and shall be deemed to have contracted with each state joining therein, an amendment to said compact in the form substantially as follows:

Amendment to the Interstate Compact on Juveniles, Concerning Interstate Rendition of Juveniles Alleged to be Delinquent

(a) This amendment shall provide additional remedies, and shall be binding only as among and between those party states which specifically execute the same.

(b) All provisions and procedures of article V and VI of the interstate compact on juveniles shall be construed to apply to any juvenile charged with being a delinquent by reason of a violation of any criminal law. Any juvenile charged with being a delinquent by reason of violating any criminal law shall be returned to the requesting state upon a requisition to the state where the juvenile may be found. A petition in such case shall be filed in a court of competent jurisdiction in the requesting state where the violation of criminal law is alleged to have been committed. The petition may be filed regardless of whether the juvenile has left the state before or after the filing of the petition. The requisition described in article V of the compact shall be forwarded by the judge of the court in which the petition has been filed.

SECTION 31. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

The interstate compact on the placement of children is hereby enacted into law and entered into with all other jurisdictions legally joined therein in form substantially as follows:

ARTICLE I

Purpose and Policy

It is the purpose and policy of the party states to cooperate with each other in the interstate placement of children to the end that:

(a) Each child requiring placement shall receive the maximum opportunity to be placed in a suitable environment and with persons or institutions having appropriate qualifications and facilities to provide a necessary and desirable degree and type of care.

(b) The appropriate authorities in a state where a child is to be placed may have full opportunity to ascertain the circumstances of the proposed placement, thereby promoting full compliance with applicable requirements for the protection of the child.

(c) The proper authorities of the state from which the placement is made may obtain the most complete information on the basis of which to evaluate a projected placement before it is made.

(d) Appropriate jurisdictional arrangements for the care of children will be promoted.

ARTICLE II
Definitions

As used in this compact:

(a) "Child" means a person who, by reason of minority, is legally subject to parental, guardianship or similar control.

(b) "Sending agency" means a party state, officer or employe thereof; a subdivision of a party state, or officer or employe thereof; a court of a party state; a person, corporation, association, charitable agency or other entity which sends, brings, or causes to be sent or brought any child to another party state.

(c) "Receiving state" means the state to which a child is sent, brought, or caused to be sent or brought, whether by public authorities or private persons or agencies, and whether for placement with state or local public authorities or for placement with private agencies or persons.

(d) "Placement" means the arrangement for the care of a child in a family free or boarding home or in a child-caring agency or institution but does not include any institution caring for the mentally ill, mentally defective or epileptic or any institution primarily educational in character, and any hospital or other medical facility.

ARTICLE III
Conditions for Placement

(a) No sending agency shall send, bring, or cause to be sent or brought into any other party state any child for placement in foster care or as a preliminary to a possible adoption unless the sending agency shall comply with each and every requirement set forth in this article and with the applicable laws of the receiving state governing the placement of children therein.

(b) Prior to sending, bringing or causing any child to be sent or brought into a receiving state for placement in foster care or as a preliminary to a possible adoption, the sending agency shall furnish the appropriate public authorities in the receiving state written notice of the intention to send, bring, or place the child in the receiving state. The notice shall contain:

(1) The name, date and place of birth of the child.

(2) The identity and address or addresses of the parents or legal guardian.

(3) The name and address of the person, agency or institution to or with which the sending agency proposes to send, bring , or place the child.

(4) A full statement of the reasons for such proposed action and evidence of the authority pursuant to which the placement is proposed to be made.

(c) Any public officer or agency in a receiving state which is in receipt of a notice pursuant to paragraph (b) of this article may request of the sending agency, or any other appropriate officer or agency of or in the sending agency's state, and shall be entitled to receive therefrom, such supporting or additional information as it may deem necessary under the circumstances to carry out the purpose and policy of this compact.

(d) The child shall not be sent, brought, or caused to be sent or brought into the receiving state until the appropriate public authorities in the receiving state shall notify the sending agency, in writing, to the effect that the proposed placement does not appear to be contrary to the interests of the child.

ARTICLE IV
Penalty For Illegal Placement

This sending, bringing, or causing to be sent or brought into any receiving state of a child in violation of the terms of this compact shall constitute a violation of the laws respecting the placement of children of both the state in which the sending agency is located or from which it sends or brings the child and of the receiving state. Such violation may be punished or subjected to penalty in either jurisdiction in accordance with its laws. In addition to liability for any such punishment or penalty, any such violation shall constitute full and sufficient grounds for the suspension or revocation of any license, permit, or other legal authorization held by the sending agency which empowers or allows it to place or care for children.

ARTICLE V
Retention of Jurisdiction

(a) The sending agency shall retain jurisdiction over the child sufficient to determine all matters in relation to the custody, supervision, care, treatment and disposition of the child which it would have had if the child had remained in the sending agency's state, until the child is adopted, reaches majority, becomes self-supporting or is discharged with the concurrence of the appropriate authority in the receiving state. Such jurisdiction shall also include the power to effect or cause the return of the child or its transfer to another location and custody pursuant to law. The sending agency shall continue to have financial responsibility for support and maintenance of the child during the period of the placement. Nothing contained herein shall defeat a claim of jurisdiction by a receiving state sufficient to deal with an act of delinquency or crime committed therein.

(b) When the sending agency is a public agency, it may enter into an agreement with an authorized public or private agency in the receiving state providing for the performance of one (1) or more services in respect of such case by the latter as agent for the sending agency.

(c) Nothing in this compact shall be construed to prevent a private charitable agency authorized to place children in the receiving state from performing services or acting as agent in that state for a private charitable agency of the sending state; nor to prevent the agency in the receiving state from discharging financial responsibility for the support and maintenance of a child who has been placed on behalf of the sending agency without relieving the responsibility set forth in paragraph (a) hereof.

ARTICLE VI

Institutional Care of Delinquent Children

A child adjudicated delinquent may be placed in an institution in another party jurisdiction pursuant to this compact but no such placement shall be made unless the child is given a court hearing on notice to the parent or guardian with opportunity to be heard, prior to his being sent to such other party jurisdiction for institutional care and the court finds that:

(1) Equivalent facilities for the child are not available in the sending agency's jurisdiction; and

(2) Institutional care in the other jurisdiction is in the best interest of the child and will not produce undue hardship.

ARTICLE VII

Compact Administrator

The executive head of each jurisdiction party to this compact shall designate an officer who shall be general coordinator of activities under this compact in his jurisdiction and who, acting jointly with like officers of other party jurisdictions, shall have power to promulgate rules and regulations to carry out more effectively the terms and provisions of this compact.

ARTICLE VIII

Limitations

This compact shall not apply to:

(a) The sending or bringing or a child into a receiving state by his parent, stepparent, grandparent, adult brother or sister, adult uncle or aunt, or his guardian and leaving the child with any such relative or non-agency guardian in the receiving state.

(b) Any placement, sending or bringing of a child into a receiving state pursuant to any other interstate compact to which both the state from which the child is sent or brought and the receiving state are party, or to any other agreement between said states which has the force of law.

ARTICLE IX

Enactment and Withdrawal

This compact shall be open to joinder by any state, territory or possession of the United States, the District of Columbia, The Commonwealth of Puerto Rico, and, with the consent of Congress, the Government of Canada or any province thereof. It shall become effective with respect to any such jurisdiction when such jurisdiction has enacted the same into law. Withdrawal from this compact shall be by the enactment of a statute repealing the same, but shall not take effect until two (2) years after the effective date of such statute and until written notice of the withdrawal has been given by the withdrawing state to the Governor of each other party jurisdiction. Withdrawal of a party state shall not affect the rights, duties and obligations under this compact of any sending agency therein with respect to a placement made prior to the effective date of withdrawal.

ARTICLE X

Construction and Severability

The provisions of this compact shall be liberally construed to effectuate the purposes thereof. The provisions of this compact shall be sever able and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any party state or of the United States or.the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state party thereto, the compact shall remain in full force and effect as to the remaining states and in full force and effect as to the states affected as to all severable matters.

SECTION 32. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

The following provisions apply to the compact described in Section 31:

(1) The following definitions apply to Section 31:

(a) As used in paragraph (a) of article V of the interstate compact on the placement of children, the phrase "appropriate authority in the receiving state" with reference to this state shall mean the department for human resources.

(b) The "appropriate public authorities" as used in article III of the interstate compact on the placement of children shall, with reference to this state, mean the department for human resources and said department shall receive and act with reference to notices required by said article III.

(c) As used in article VII of the interstate compact on the placement of children, the term "executive head" means the governor. The governor is hereby authorized to appoint a compact administrator in accordance with the terms of said article VII.

(2) Financial responsibility for any child placed pursuant to the provisions of the interstate compact on the placement of children and;

(a) Shall be determined in accordance with the provisions of article V thereof in the first instance. However, in the event of partial or complete default of performance thereunder, the provisions of KRS 405.020 shall apply.

(b) The officers and agencies of this state and its subdivisions having authority to place children are hereby empowered to enter into agreements with appropriate officers or agencies of or in another party state pursuant to paragraph (b) of article V of the interstate compact on the placement of children. Any such agreement which contains a financial commitment or imposes a financial obligation on this state or subdivision or agency thereof shall not be binding unless it has the approval in writing of the secretary of the department of finance in the case of the state and of the chief local fiscal officer in the case of a subdivision of the state.

(3) Any court having jurisdiction to place delinquent children may place such a child in an institution of or in another state pursuant to article VI of the interstate compact on the placement of children and shall retain jurisdiction as provided in article V of Section 31 of this Act thereof.

(4) No person or institution shall bring or send, or cause to be brought or sent, a dependent child into this state from another state for the purpose of placing him in a family home, either with or without indenture or for adoption, without first filing a ten thousand dollar ($10,000) bond with the county judge/executive of the county in which the child is to be placed.

(5) The bond shall be conditioned as follows:

(a) That they will not bring or send, or cause to be brought or sent, into this state any child that is incorrigible or of unsound mind or body or who has any contagious or incurable disease;

(b) That they will immediately, upon placing the child, report to the department the name and age of the child, and the name and residence of the person with whom he is placed;

(c) That if the child becomes a public charge before reaching his majority, they will, within thirty (30) days after receiving written notice of such fact from the department, remove the child from the state;

(d) That if the child is convicted of a crime or misdemeanor and is imprisoned, within five (5) years of the time of his arrival, they will remove the child from the state immediately upon his release;

(e) That they will place each dependent child by written contract with a person who will furnish the child a proper home, and will make the person receiving the child responsible for its proper care, education and training;

(f) That they will properly supervise the care and training of the child, and visit each child at least once a year;

(g) That they will make such reports to the department as the department requires.

(6) The provisions of Section 31 of this Act shall not apply to a parent, step-parent, grandparent, adult brother or sister, or adult uncle or aunt going to any other state or country and bringing a child into this state for the purpose of giving it a home in his own family, and may be waived by the department for any child brought into the state under the supervision of the division or licensed child-caring or child-placing institution or agency by written agreement with the responsible agency of the other state or country, or under special circumstances agreed to in writing by the department and the persons wishing to import a child.

(7) The provisions of Section 31 of this Act shall not apply to placements made pursuant to the interstate compact on the placement of children.

SECTION 33. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

The department shall promulgate such regulations that are necessary to implement the chapter.

SECTION 34. A NEW SECTION OF KRS CHAPTER 208A IS CREATED TO READ AS FOLLOWS:

(1) Any person who transports or causes or permits a female child to be transported in violation of Section 21(2) of this Act shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500).

(2) Any person who violates Section 21(3) of this Act shall be fined not more than one hundred dollars ($100).

(3) Anyone who violates the provisions of Section 20 of this Act shall be subject to a fine of not less than one hundred dollars ($100) nor more than five hundred dollars ($500) or imprisonment in the county jail for a period of not less than thirty (30) days nor more than six (6) months or both.

(4) Any person who willfully violates the provisions of Section 19(1) of this Act shall be imprisoned in the county jail for a period not to exceed six (6) months or fined not more than five hundred dollars ($500), or both.

(5) Any person who violates Section 32(4) of this Act shall be imprisoned in the county jail not less than ten (10) nor more than sixty (60) days, or fined not less than twenty-five dollars ($25) nor more than two hundred dollars ($200), or both.

SECTION 35. KRS CHAPTER 208B IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

In addition to the purposes set forth in Section 2 of this Act, this section shall be interpreted to effectuate the following express legislative purposes:

It must accordingly be understood that children have certain fundamental rights which also must be protected and preserved. These rights include, but are not limited to the rights to adequate food, clothing and shelter; the right to be free from physical, sexual or emotional injury or exploitation; the right to develop physically, mentally, and emotionally to their potential; and the right to educational instruction and the right to a secure, stable family. It is further recognized that upon some occasions, in order to protect and preserve the rights and needs of children, it is necessary to remove a child from his or her parents.

SECTION 36. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

As used in KRS Chapter 208B unless otherwise specified: "Voluntary commitment" means a commitment by which the department is given custody of a child by consent of the parent or other person exercising custodial control or supervision.

SECTION 37. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

(1) Any physician, osteopathic physician, nurse, teacher, school personnel, social worker, coroner, medical examiner, child-caring personnel, resident, intern, chiropractor, dentist, optometrist, health professional, peace officer, mental health professional or other person, organization, or agency who knows or has reasonable cause to believe that a child is an abused or neglected child, shall cause a report to be made in accordance with the provisions of this section. When any of the above specified persons is attending a child as part of his professional duties, he shall report or cause a report which alleges abuse or neglect to be made in accordance with the provisions of this section.

(2) Allegations of abuse or neglect shall be made immediately by telephone or otherwise to the bureau or its delegated representative. If the person making the allegation has reason to believe that immediate protection for the child is advisable, that person shall also make an oral report to an appropriate law enforcement agency. If the allegation is made to any agency other than the bureau, such agency shall promptly refer the allegation to the bureau and shall be followed by a written report within forty-eight (48) hours. The bureau or its delegated representative shall upon the receipt of the initial report immediately send a report of suspected physical or sexual abuse to the appropriate law enforcement agency for any appropriate action. Such report shall contain:

(a) The names and addresses of the child and his parents or other persons exercising custodial control or supervision;

(b) The child's age;

(c) The nature and extent of the child's abuse or neglect (including any previous charges of abuse or neglect) to this child or his siblings;

(d) The name and address of the person allegedly responsible for the abuse or neglect; and

(e) Any other information that the person making the report believes may be helpful in the furtherance of the purpose of this section.

The bureau or its delegated representative may request and shall receive from any agency of the state or any other agency, institution or facility providing services to the child or his family, such cooperation, assistance and information as will enable the bureau to fulfill its responsibilities under this section.

(3) (a) If after receiving the report the department or its designated representative cannot gain admission to the location of the child, a search warrant shall be issued by the judge to the appropriate law enforcement official upon probable cause that the child is abused or neglected. If, pursuant to a search under a warrant a child is discovered and appears to be in imminent danger, the child may be removed by the local law enforcement officer.

(b) In the event a child who is in a hospital or under the immediate care of a physician appears to be in such danger of injury or death if he is returned to the persons having custody of him, the physician or hospital administrator may hold a child in the hospital without court order provided that an attempt is made to obtain such court order at the earliest practicable time not to exceed seventy-two (72) hours.

(c) Any appropriate law enforcement officer may take a child into protective custody and may hold that child in protective custody without the consent of the parent or other person exercising custodial control or supervision, if the officer has reasonable cause to believe that there exists an imminent danger to the

child's life or health. The officer shall within one (1) hour of taking the child into such protective custody, contact the court and proceed in accordance with the provisions of Section 40 of this Act.

(4) Anyone acting upon reasonable cause in the making of a report or acting under subsection (1) of this section in good faith shall have immunity from any liability, civil or criminal, that might otherwise be incurred or imposed. Any such participant shall have the same immunity with respect to participation in any such judicial proceeding resulting from such report or action.

(5) Neither the husband-wife nor any professional-client/patient privilege, except the attorney-client privilege, shall be a ground for refusing to report under this section or for excluding evidence regarding an abused or neglected child or the cause thereof, in any judicial proceedings resulting from a report pursuant to this section. This subsection shall also apply in any criminal proceeding in district or circuit court regarding an abused or neglected child.

(6) Upon receipt of a report of an abused or neglected child pursuant to this section, the bureau as the designated agency or its delegated representative shall initiate a prompt investigation, take necessary action and shall offer protective services toward safeguarding the welfare of the child. The department shall work toward preventing further abuse or neglect of the child or any other child under the same care, and preserve and strengthen family life, where possible, by enhancing parental capacity for adequate child care.

(7) All information obtained by the bureau staff or its delegated representative, as a result of investigation made pursuant to this section shall not be divulged to anyone except:

(a) Persons suspected of abuse or neglect provided that in such cases names of informants shall be withheld, unless ordered by the court;

(b) Persons within the bureau with a legitimate interest or responsibility related to the case;

(c) Other medical, psychological, or social service agencies, or law enforcement agencies that have a legitimate interest in the case; or

(d) Cases where a court orders release of such information.

(8) As a result of any report of suspected child abuse or neglect as defined in Section 3 of this section, photographs and X-rays or other appropriate medical diagnostic procedures may be taken or caused to be taken, without the consent of the parent or other person exercising custodial control or supervision of the child, as a part of the medical evaluation or investigation of such reports. Such photographs and X-rays or results of other medical diagnostic procedures may be introduced into evidence in any subsequent judicial proceedings. The person performing the diagnostic procedures or taking such photographs or X-rays shall be immune from criminal or civil liability for having performed the act. Nothing herein shall limit liability for negligence.

SECTION 38. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

(1) An abuse, neglect or dependency action is commenced by the filing of a petition in the juvenile session of the district court. The petition and all subsequent court documents shall be entitled: "In the interest of , a child."

(2) The petition shall be verified and may be upon information and belief. In addition to the information set forth in Section 10 of this Act, the petition shall plainly set forth:

(a) The facts from which the petitioner believes the child to be abused, neglected or dependent;

(b) The name and residence if known of the person alleged to have committed the offense.

(3) If any of the facts required to be stated in the petition are not known by the petitioner, the petition shall so state.

(4) After a petition has been filed, the clerk of the court shall issue and the sheriff or other authorized agent shall serve a copy of the petition and a summons to the parent or other person exercising custodial control or supervision, unless the identity or location of the parent is unknown, in which case the petition and summons shall be issued to the nearest known adult relative. The summons shall include an explanation of the importance of the petition and an explanation of the rights of the parent or other person exercising custodial control in any subsequent proceedings, emphasizing the immediate importance of contacting the court about legal representation.

SECTION 39. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

(1) A petition, as provided for in Section 38 of this Act, shall be filed at the time of the granting of an emergency custody order. Under the circumstances listed in subsections (a) and (b) below, an abused, neglected or dependent child may be taken into immediate custody even though it is not proved conclusively who has perpetrated the abuse or who has caused the neglect. Such order may be issued ex parte by the court for the county where the child is present when it appears to the court that there are reasonable grounds to believe as supported by affidavit or by recorded sworn testimony in person before the judge that:

(a) The child would be abused, neglected or dependent as defined in Section 3 of this Act if returned to or left in the custody of his parent or other person exercising custodial control or supervision; and

(b) There are no alternatives less drastic than removal of the child from his home such as those set out in subsection (2) of this section which could reasonably protect the child from abuse, neglect or

dependency pending a judicial review or a temporary removal hearing on the matter. If any alternative less drastic than removal of the child from his home could reasonably protect the child from abuse, neglect or dependency, pending a judicial review or a temporary removal hearing on the matter, no such emergency removal order shall issue.

(2) If the child comes within the purview of Section 4(1)(d) of this Act, the court may sign an order giving emergency custody of the child to the court. As a part of such order, the court may order that the child is to be picked up by any peace officer and placed as directed by the court. The sheriff shall serve or tender upon the parent or other person exercising custodial control or supervision a written copy of the emergency custody order. If the parent or person exercising custodial control of the child cannot be found, the sheriff, making all good faith efforts to notify same, shall notify the nearest known relative, neighbor, or other person familiar with the child. The child may be placed in one of the facilities operated or approved by the department including foster homes or with relatives of the child taking into account the parents' feelings toward such relative placement, or any other appropriate placement available to the court. The emergency custody order shall be effective no longer than seventy-two (72) hours, exclusive of Sunday and legal holidays, unless there is a judicial review held with oral notice to the county attorney, parent or other person exercising custodial control or supervision of the child to determine if the child should be held for a longer period. The seventy-two (72) hour period may be extended or delayed upon the waiver or request of the child's parent or other person exercising custodial control or supervision.

(3) If the court determines that a formal proceeding is required, the court shall, when the child and his parent or other person exercising custodial control or supervision are brought before the court:

(a) Advise the child and his parent of their respective right to appointment of individual counsel;

1. The court shall appoint counsel for the child.

2. The court shall appoint separate counsel for the parent exercising custodial control or supervision, if they are unable to afford counsel.

3. The court may order separate counsel for the person exercising custodial control or supervision of the child if they are unable to afford counsel.

(b) Explain that the child and his parent or other person exercising custodial control or supervision may remain silent concerning the allegations in the petition.

(c) Explain that the child and his parent or other person exercising custodial control or supervision have the right to a full adjudicatory hearing within twenty-one (21) days unless specifically waived in the record by the parent or other person exercising custodial control or supervision. Explain that the child and his parent or other person exercising custodial control or supervision have the right to confront and cross-examine all adverse witnesses and to present evidence on their own behalf.

SECTION 40. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

Counsel may be appointed by the court pursuant to Section 39(3) of this Act.

SECTION 41. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

The judicial review or temporary removal hearing provided for in Section 39(3)(c) of this Act shall address the following issues:

(1) Whether there are reasonable grounds to believe that the child would be abused, neglected or dependent if returned to or left in the custody of his parent or other person exercising custodial control or supervision even though it is not proved conclusively who has perpetrated the abuse, neglect or dependency. The Commonwealth shall bear the burden of proof and if the Commonwealth should fail to establish same, the child shall be released to or retained in the custody of his parent or other person exercising custodial control or supervision.

(2) If, after completion of the temporary removal hearing, the court is of the opinion that the child is abused, neglected or dependent, the court shall issue an order for temporary removal. Such order shall state the specific reasons for removal and show that alternative less restrictive placements and services have been considered. If the court finds that the child is not abused, neglected or no action is taken within seventy-two (72) hours, the emergency order shall be automatically dissolved and the child returned by the department to the parent or other person exercising custodial control or supervision. A request for a continuance on the part of the parent or other person exercising custodial control or supervision shall constitute action precluding automatic dissolution of the emergency custody order.

(3) In placing such child, the court shall give preference to available and qualified relatives of the child considering the wishes of the parent or other person exercising custodial control or supervision from whom the child is removed. The court may also consider placing the child in one (1) of the facilities operated or approved by the department or its delegated representative including foster homes or in other appropriate placement available to the court.

(4) Any person aggrieved by a proceeding under this section may file a petition in circuit court for immediate entitlement to custody and a hearing shall be expeditiously held according to the Rules of Civil

Procedure. During the pendency of the petition for immediate entitlement the orders of the district court shall remain in effect.

SECTION 42. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

(1) In cases where criminal charges arising out of the same transaction or occurrence are filed against an adult alleged to be the perpetrator of child abuse or neglect, such charges shall be tried separately from the adjudicatory hearing on the petition filed pursuant to Section 38 of this Act in the interest of the child. A finding of civil jurisdiction pursuant to this Act shall be inadmissible in such criminal proceedings. Upon motion of the adult, and upon waiver of the twenty-one (21) day time limitation for adjudication on the petition filed pursuant to Section 38 of this Act, any such criminal charges placed against an adult arising from the same factual transaction shall be tried or resolved prior to the adjudication on the petition filed pursuant to this Act to avoid possible incrimination of the adult prior to the criminal trial, if the charges can be tried or resolved within six (6) months.

(2) The adjudication shall determine the truth or falsity of the allegations in the petition. The burden of proof shall be upon the petitioner, and a determination of abuse, neglect and dependency shall be made by a preponderance of the evidence.

(3) The disposition shall determine the action to be taken by the court on behalf of the child and his parent or other person exercising custodial control or supervision.

SECTION 43. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

(1) In determining the disposition of all cases brought on behalf of abused, neglected or dependent children, the juvenile session of the district court shall have, but shall not be limited to, the following dispositional alternatives:

(a) Informal adjustment of the case;

(b) Protective orders, such as the following:

1. Order the parent or any other person to abstain from any conduct abusing, neglecting or making the child dependent;

2. Order that the child be placed in his own home under supervision of the department with appropriate services.

(c) Removal of the child to the custody of an adult relative taking into consideration the wishes of the parent, guardian, or other person exercising custodial control or supervision.

(d) Commitment of the child to the custody of the department for placement for an indeterminate period of time not to exceed the age of twenty-one (21).

(2) In any proceeding under this chapter, when the court is petitioned to remove or continue the removal of a child from the custody of his parent or other person exercising custodial control or supervision, the court shall first consider whether the child may be reasonably protected against the alleged abuse, neglect or dependency, by alternatives less drastic than removal. Such alternatives may include, but shall not be limited to, the provision of medical, educational, psychiatric, psychological, social work, counseling, day care, or homemaking services with monitoring whereever necessary by department or other appropriate agency. Where the court specifically finds that such alternatives are adequate to reasonably protect the child against the alleged abuse neglect or dependency, the court shall not order the removal or continuing removal of the child.

(3) If the court orders the removal or continues the removal of the child, services provided to the parent and the child shall be designed to promote the return of the child to his home as soon as possible.

(4) The department shall establish such terms and conditions of parental visitation with said child after consultation with the parents or persons exercising custodial control or supervision of the child. If the parents are dissatisfied with the visitation schedule, then they may petition the court for review of the visitation schedule. The court, after reviewing all of the circumstances surrounding the case, may alter the visitation schedule if it finds the schedule set up by the department has been arbitrary or unreasonable.

(5) Before making disposition of a case of a child brought before the court under this section of this Act, the judge shall cause an investigation to be made concerning the circumstances surrounding the child and his family. The report of the investigation shall be in writing and shall include recommendation for the best potential care of the child. The result of the investigation shall be made available to the court after the adjudication and prior to disposition. Copies of the report shall be placed in the court record five (5) days prior to the disposition hearings. The written report shall become part of the court record of the proceedings. Objections by counsel to portions of the dispositional report shall be noted in the record.

SECTION 44. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

Whenever any court commits a child to the department or to any institution or agency, the court shall cause to be transmitted to the department, institution or agency a certified copy of the commitment order, together with a summary of the court's information concerning the child. The child shall be held *by virtue of the order, and the certified copy of the order shall be proof of the authority of the department, institution or agency in behalf of the child. Such certified order shall be sufficient authority for any law enforcement officer to take into custody any person named therein and deliver him to such a place as shall be directed by the department, institution or agency given custody of him in the order.*

SECTION 45. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

Any party, including parents, to a proceeding under this chapter may appeal from any final dispositional order, from the court to the circuit court as a matter of right in the procedural manner provided for in Section 17 of this Act and in Rule 72 of the Kentucky Rules of Civil Procedure. The district court order shall be effective pending appeal except that the circuit court may hear and decide a petition for immediate entitlement to custody.

SECTION 46. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

(1) If the court finds that the petition filed pursuant to Section 38 of this Act should be dismissed because there is no probable cause of abuse, neglect or dependency, or finds that the circuit court has a pending action in which the records, are required, the court may, upon motion of any party, order that all court and police records relating to the petition be destroyed. This shall include any photographs and social work agency investigative reports which may have been included in the court file. Granting of such a motion shall also authorize destruction of any adult criminal records in the court, if such records arise from the same set of unfounded factual allegations as the petition filed pursuant to Section 33 of this Act.

(2) A child upon reaching the age of majority or upon emancipation may make a motion to have records relating to the petition filed pursuant to Section 38 of this Act. "Sealed" for the purposes of this section means the child has no court record for any purpose.

SECTION 47. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

In addition to the other duties, functions, and responsibilities imposed by law, the department, through its authorized representatives, shall have general supervision and management of all matters contained in Sections 48 and 49 of this Act and shall, wherever possible:

(1) Locate and plan for all children who are dependent, neglected, abused, or abandoned;
(2) Cooperate with and assist the courts of the various counties;
(3) Assist circuit courts through services to children whenever requested by the court; and
(4) Perform such other services as may be deemed necessary for the protection of children.

SECTION 48. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

Any child committed to the department may on the recommendation of the child welfare worker, at any time during the period of his commitment, be discharged from commitment, after fourteen (14) days written notice from the department to the committing court. The court may review the commitment prior to discharge pursuant to Section 18 of this Act.

SECTION 49. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

(1) The department shall have authority to accept children on voluntary commitments; however, the department shall refuse to accept any child on the voluntary commitment unless adequate facilities, funds, and resources are available to care for the child, and the secretary finds that said commitment would be for the best interest of the child.

(2) As a condition of any voluntary commitment , the secretary may enter into an agreement with the parent or person exercising custodial control or supervision of the child consenting to said commitment to pay an agreed sum for the care and treatment of the child. The sum shall be determined by the needs of the child and by the ability of the parent or other person exercising custodial control or supervision to pay.

(3) In the case of voluntary commitment, the department may expend funds necessary to give to the child committed all services available to any child committed to it by the courts including, but not limited to, diagnosis, treatment, foster care, day care, institutional care and treatment, and necessary medical, psychological and psychiatric care.

(4) Any person who has consented to the voluntary commitment may request the release of the child in writing addressed to the secretary. The secretary shall within ten (10) days, order release of the child, or, if in the opinion of the secretary it would be to the best interest of the child that he remain in the custody of the department, a petition shall be filed in the court, of the county of residence of the child as provided for in Section 37 of this Act.

(5) If the secretary determines that the child can no longer benefit from those services offered by the department, the child may be returned at once to the care of his parents or other persons exercising custodial control or supervision, or to a third person mutually agreed upon.

SECTION 50. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

The department shall promulgate regulations to promote the intent of KRS Chapter 208B, including but not limited to the following:

(1) The method used to periodically review children placed in foster family homes which shall include but not be limited to the following:

(a) Within one (1) week of the hearing provided for in Section 39 of this Act, a case conference shall be held for the purpose of establishing a specific treatment plan for each child pending adjudication. Additional case conferences and reviews shall be held as appropriate, but shall be held at least every six (6) months. The parent and his or her counsel shall have the right to be present at and participate in such conference. Notice of such conference shall be given to the parent's attorney of record.

(b) On-going case work and supportive services shall be provided as indicated to best meet the needs of the child as established by the review and planning process.

(c) There may be procedures for providing for appropriate visitation between the parents and the child based on the needs of the child.

(2) The procedures for reporting to a committing court the status and plans for children committed to the department as dependent, neglected or abused and placed in foster family homes.

SECTION 51. A NEW SECTION OF KRS CHAPTER 208B IS CREATED TO READ AS FOLLOWS:

(1) Anyone knowingly and willfully violating the provisions of subsection (1) of Section 37 of this Act shall be guilty of a Class B misdemeanor.

(2) Any person who willfully permits, assists or encourages the unauthorized release of information made pursuant to Section 37 of this Act, or otherwise violates the provisions of subsection (7) of Section 37 of this Act shall be guilty of a Class B misdemeanor.

(3) Any person who upon thirty (30) days' notice fails to remove a child from the state when required to do so under a bond as provided in paragraphs (c) or (d) of subsection (5) of Section 32 of this Act shall forfeit one thousand dollars ($1,000), to be recovered upon the bond by a suit in the name of the county in which the bond is filed.

SECTION 52. KRS CHAPTER 208C IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

In addition to those purposes in Section 2, this Chapter shall be interpreted to effectuate the following express legislative purposes:

It must accordingly be understood that children have certain fundamental rights which also must be protected and preserved. These rights include, but are not limited to the right to adequate food, clothing and shelter; the right to be free from physical, sexual or emotional abuse or exploitation; the right to develop physically, mentally and emotionally to their potential; the right to educational instruction and the right to a secure, permanent, stable family whether it is their natural or adoptive family. It is further recognized that upon some occasions, in order to protect and preserve the rights and needs of children, it is necessary to remove a child from his or her parents and even on some occasions to sever the parent-child relationship permanently.

SECTION 53. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

As used in KRS Chapter 208C, unless the context otherwise specifies:

(1) "Abused or neglected child" means a child whose health or welfare is harmed or threatened with harm when his parent, guardian or other person who has the permanent or temporary care, custody or responsibility for the supervision of the child: inflicts or allows to be inflicted upon the child, physical or emotional injury to the child by other than accidental means; creates or allows to be created a risk of physical or emotional injury to the child by other than accidental means; commits or allows to be committed an act of sexual abuse upon the child; willfully abandons or exploits such child; does not provide the child with adequate care and supervision or food, clothing, shelter, medical care or education necessary for the child's well-being; provided, however, that a parent or guardian legitimately practicing his religious beliefs who thereby does not provide specified medical treatment for a child, for that reason alone shall not be considered to have abused or neglected the child, but this exception shall not preclude a court from ordering such medical services be provided to the child where his health requires it.

(2) "Emotional injury" means an injury to the mental or psychological capacity or emotional stability of a child as evidenced by a substantial and observable impairment in his ability to function within a normal range of performance and behavior with due regard to this culture which injury may be directly attributable to the failure, refusal or incapacity of the parent or other person responsible for the supervision of the child to exercise a minimum degree of parental care and supervision toward the child. Emotional abuse or neglect shall constitute, but not be limited to, situations in which a child's mental, emotional or physical health is damaged as evidenced by severe anxiety, depression or withdrawal.

SECTION 54. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

The circuit court shall have jurisdiction of proceeding under this Chapter to terminate parental rights.

SECTION 55. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

(1) The putative father of a child shall be made a party and brought before the circuit court in the same manner as any other party to a voluntary or involuntary termination action if one (1) of the following conditions exist:

(a) He is known and voluntarily identified by the mother by affidavit; or

(b) Prior to the entry of a final order in any of the above proceedings, he shall have acknowledged the child as his own by affirmatively asserting paternity in the action or to the custodial agency or the party bringing the action within sixty (60) days after the birth of the child; or

(c) He has caused his name to be affixed to the birth certificate of the child; or

(d) He has commenced a judicial proceeding claiming parental right; or

(e) He has contributed financially to the support of the child either by paying the medical or hospital bills associated with the birth of the child or financially contributed to the child's support; or

(f) He has married the mother of the child or has or is openly living with the child or the person designated on the birth certificate as the natural mother of said child.

(4) Any person to whom none of the above conditions apply shall be deemed to have no parental rights to the child in question.

SECTION 56. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

(1) A petition for the voluntary termination of parental rights may be filed by a parent.

(2) No petition may be filed under this Chapter prior to five (5) days after the birth of the child.

(3) The circuit court shall have jurisdiction of proceedings under this Chapter to terminate parental rights. A petition for voluntary termination of parental rights may be filed in any circuit court of the Commonwealth.

(4) The petition for the voluntary termination of parental rights under this section shall be verified and contain the following in addition to the information set forth in Section 10 of this Act:

(a) Name and place of residence of each petitioner;

(b) Name, sex and date of birth of the child;

(c) Relationship of each petitioner to the child;

(d) Reasons for desiring the termination of parental rights;

(e) Name and address of the person or of the department or authorized agency to which parental rights are sought to be transferred;

(f) A statement that the person, department or authorized agency to whom custody is to be given has facilities available and is willing to receive the custody of the child shall be filed with the petition.

(5) Within three (3) days after a petition for the voluntary termination of parental rights is filed, the circuit court shall set a date for a hearing. The circuit court shall require notice to be served upon the department in any case where a statement from the department of willingness to accept custody of the child has not been filed with the petition, or custody of the child is to be placed with an individual and not the department or a licensed agency.

(6) All hearings shall be held before the circuit court, privately for the purpose of determining the facts.

(7) The best interest of the child shall be considered paramount.

(8) At the time of the hearing,the circuit court, after full and complete inquiry, shall determine whether each petitioner is fully aware of the purpose of the proceedings and the consequences of the provisions of this Act.

SECTION 57. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

(1) A petition for involuntary termination of parental rights may be filed in the circuit court for any of the counties in the following order of priority:

(a) The county in which either parent resides or may be found;

(b) The county in which juvenile court actions, if any, concerning the child has commenced;

(c) The county in which the child involved resides or is present.

(2) Proceedings for involuntary termination of parental rights may be instituted upon petition by the department, any child-placing agency licensed by the department, any probation officer, any state or local law enforcement officer, any county or commonwealth attorney or parent.

(3) The petition for involuntary termination of parental rights shall be verified and contain the following:

(a) Name and identity of each petitioner;

(b) Name, sex and date of birth of the child or children;

(c) Name and address of the living parents of the child;

(d) Name and date of death, if known, of any deceased parent;

(e) Name and address of the putative father, if known by the petitioner, of the child if not the same person as the legal father;

(f) Name and address of person or agency having court ordered custody of the child;

(g) Name and identity of the person or authorized agency to whom custody is sought to be transferred;

(h) Statement that the agency to whom custody is to be given has facilities available and is willing to receive the custody of the child;

(i) All pertinent information concerning termination or disclaimers of parenthood or voluntary consent to termination;

(j) Information as to the legal status of the child and the court so adjudicating;

(k) A concise statement of the factual basis for the termination of parental rights;

(4) No petition may be filed under this section prior to five (5) days after the birth of the child.

SECTION 58. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

(1) In any action for termination of parental rights, service upon the parties shall be accomplished by personal service where possible or constructive service where personal service is not possible, pursuant to the Kentucky Rules of Civil Procedure.

(2) No service shall be necessary if a disclaimer of paternity or a petition for voluntary termination of parental rights has been executed by a parent or alleged parent and has been filed with the petition for termination of parental rights, or an order terminating parental rights has been entered by a circuit court of competent jurisdiction.

SECTION 59. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

In any voluntary or involuntary action for termination of parental rights:

(1) The circuit court shall conduct a private hearing. An official stenographic record shall be made of the proceedings. The court will make findings of fact and conclusions of law to support its judgment.

(2) Any child to whom the action directly relates shall be made a party defendant to the action and a person of reputable character shall be appointed as guardian ad litem and advocate to represent the best interest of the child. Upon motion of any party, the child may be permitted to be present during the proceedings and to testify if the court finds such to be in the best interest of the child. In its discretion, the circuit court may interview the child in private, but a record of the interview will be made, which, in the discretion of the court, may be sealed to be used only by an appellate court.

(3) The defendant parents have the right to legal representation. If the court finds that a parent who is a defendant in an action for involuntary termination of parental rights does not have legal representation, the circuit court shall determine if said parent is indigent and, therefore, entitled to counsel pursuant to KRS Chapter 31. If the circuit court so finds, the circuit court shall inform the defendant, if notification is possible, of his right to counsel. Upon request or if it appears reasonably necessary in the interest of justice, the circuit court shall appoint an attorney to represent the defendant. The attorney shall be paid a reasonable fee for his services which shall be taxed as cost but not to exceed five hundred dollars ($500).

(4) The circuit court may be convened at any time wherever the judge thereof may be found within the circuit, respective of the regular term for the purpose of terminating parental rights and the proceedings shall be expedited and completed as soon as practicable.

(5) Notwithstanding the provisions of Civil Rule 4.04(2), the boarding home or foster parent shall not be served with summons on behalf of the child.

(6) If the parental rights of all living parents of the child are terminated, the circuit court shall declare the child to be a ward of the state, and vest the care, custody and control of the child in the department, or in any licensed child-caring or child-placing agency or institution. If the child has a parent or parents whose rights have not been terminated by the proceedings, the child shall not be declared a ward of the state, unless the voluntary consent of the other parent or parents has been obtained or unless in the same proceeding the circuit court shall find that the other parent has filed a disclaimer of paternity or has waived his rights under Section 55 of this Act.

SECTION 60. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

(1) The circuit court may involuntarily terminate all parental rights of a parent of a child, if the circuit court shall find from the pleadings and a preponderance of the evidence that the child has been adjudged to be an abused or neglected child by a court of competent jurisdiction or is found to be an abused and neglected child by the circuit court in this proceeding and that termination would be in the best interest

of the child, provided, however, that no termination of parental rights shall be ordered unless the circuit court also shall find by clear and convincing evidence the existence of one or more of the following grounds:

(a) That the parent has willfully abandoned the child for a period of not less than six (6) months;

(b) That the parent has inflicted or allowed to be inflicted upon the child by other than accidental means, serious physical injury. If the parent shall establish that there are reasonable grounds to believe such injury will not occur in the future, then the circuit court in its discretion may decide not to terminate parental rights;

(c) That the parent has continuously or repeatedly inflicted or allowed to be inflicted upon the child by other than accidental means physical injury or emotional harm. If the parent establishes that there are reasonable grounds to believe that such injury or emotional harm will not occur in the future, then the circuit court, in its discretion, may decide not to terminate parental rights;

(d) That the parent, for a period of not less than six (6) months, has continuously or repeatedly failed or refused to provide or has been substantially incapable of providing essential parental care and protection for the child and that there is no reasonable expectation of improvement in parental care and protection, considering the age of the child;

(e) That the parent has committed or allowed to be committed an act of sexual abuse or exploitation upon the child, unless the parent establishes that there are reasonable grounds to believe that such abuse and exploitation will not occur in the future if the child is permitted to remain with the parent;

(f) That the parent, for reasons other than poverty alone, has continuously or repeatedly failed to provide or is incapable of providing essential food, clothing, shelter, medical care or education reasonably necessary and available for the child's well-being and that there is no reasonable expectation of significant improvement in the parent's conduct in the immediately foreseeable future, considering the age of the child.

(2) In determining the best interest of the child and the existence of a ground for termination the circuit court shall consider all relevant factors including:

(a) Emotional illness, mental illness or mental deficiency of the parent as certified by a qualified mental health professional, which renders the parent, consistently unable to care for the immediate and ongoing physical or psychological needs of the child for extended periods of time;

(b) Acts of abuse or neglect toward any child in the family;

(c) If the child has been placed with the department or a child-placing or child-caring agency, whether the department has rendered or attempted to render all reasonable services to the parent which reasonably might be expected to bring about a reunion of the family, including the parent's testimony concerning such services and whether additional services would be likely to bring about lasting parental adjustment enabling a return of the child to the parent within a reasonable period of time, considering the age of the child;

(d) The effort the parent has made to adjust his circumstances, conduct or conditions to make it in the child's best interest to return him to his home within a reasonable period of time, considering the age of the child;

(e) The physical, emotional and mental health of the child and the prospects for the improvement of the child's welfare if termination is ordered.

SECTION 61. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

(1) If the circuit court determines that all parties with parental rights to the child under the law have either petitioned the court to have their parental rights terminated voluntarily or have had their rights terminated involuntarily by an order entered by a court of competent jurisdiction, and that the termination of parental rights and their transfer are in the best interest of the child, and that each petitioner is fully aware of the purpose of the proceedings and the consequences of the provisions of this Act, it shall make an order terminating all parental rights and obligations in the parent in whom they have existed, and releasing the child from all legal obligations to his parents, and transferring such parental rights to some other person or authorized agency or department as may, in the opinion of the court, be best qualified to receive them, except that the child shall retain the right to inherit from his parents under the laws of descent and distribution until the child is adopted. Such order may contain the power for the department, or authorized agency to consent to the adoption of such child.

(2) Any order terminating the parental rights of any person under the provisions of this Chapter, including the caption of the order, shall contain only the name of the child, without any reference whatsoever to the names of the parents whose rights have been terminated. Such order shall be duly recorded in the order book of the circuit court and a certified copy of the order given to the petitioner and to the department upon request if the department is not a petitioner. Such order may contain a statement of authority to place the child for adoption.

(3) Where parental rights have been terminated pursuant to this section all legal relationships between the parents and child shall cease to exist, the same as if the relationship of parent and child had never existed, except that the child shall retain the right to inherit from his parents under the laws of descent and distribution until the child is adopted.

(4) The files and records of the circuit court during proceedings for termination of parental rights shall not be open to inspection by persons other than parties to such proceedings, their attorneys, and representatives of the department for human resources except under order of the court expressly permitting inspection. Upon the entry of the final order in the case, the clerk shall place all papers and records in the case in a suitable envelope which shall be sealed and shall not be open for inspection by any person except on written order of the court; provided, that the representatives of the department shall have access to the papers and records of the case without a written order of the court. No person having charge of any termination records shall disclose the names of any parties appearing in such records or furnish any copy of any such records, except upon order of the court which entered the judgment of termination, or as provided by Section 19 of this Act, however, this provision is not meant to prohibit the disclosure of facts necessary in order for a person to secure a court order for a copy of the termination order to be used in an adoption proceeding. The clerk of the circuit court shall set up a separate docket and order book for termination cases and these files and records shall be kept locked.

SECTION 62. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

(1) Any order for the involuntary termination of parental rights shall be conclusive and binding on all parties, except that an appeal may be taken from a judgment or order of the circuit court involuntarily terminating parental rights in accordance with the Kentucky Rules of Civil Procedure and Kentucky Supreme Court Rules.

(2) Any order entered under the provisions of subsection (1) of Section 61 of this Act shall be conclusive and binding on all parties and no appeal may be taken from a judgment of voluntary termination.

SECTION 63. A NEW SECTION OF KRS CHAPTER 208C IS CREATED TO READ AS FOLLOWS:

The department shall promulgate such regulations as are necessary for the implementation of this Chapter.

SECTION 64. KRS CHAPTER 208D IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

In addition to those purposes set forth in Section 2, this Chapter shall be interpreted and construed to effectuate the following purposes:

(1) The Commonwealth's courts shall utilize a separate and distinct set of guidelines for status offenders which reflect their individual needs; and

(2) It shall be declared to be the policy of this Commonwealth that all its efforts and resources be directed at involving the child and the family in remedying the problem for which they have been referred; and

(3) The Commonwealth's courts have jurisdiction over status offenders only when all other remedies to aid the family have been exhausted in order to lessen the inappropriate intervention of the juvenile justice system; and

(4) Detention of status offenders should only be used for very specific and constructive purposes, when all other least restrictive alternatives to detention have been attempted and are not feasible.

SECTION 65. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

As used in KRS Chapter 208D, unless otherwise specified:

(1) "Danger to himself" means that it is shown by substantial proof that in the near future the person may cause severe bodily harm to himself or attempt suicide as evidenced by recent threats or overt acts. This includes acts which deprive self of the basic means of survival, including provisions for reasonable shelter, food, or clothing.

(2) "Danger to others" means that it is shown by substantial proof that in the near future the person may cause severe bodily harm to another person as evidenced by behavior causing, attempting or threatening such harm which gives a rise to a reasonable fear of harm from said person unless exempted by KRS 503.050.

(3) "Least drastic alternative" means that program developed on the child's behalf is no more harsh, hazardous, or intrusive than necessary; or involves no restrictions on physical movements nor requirements for residential care except as reasonably necessary for the protection of the child from physical injury; and is conducted at the suitable available facility closest to the child's place of residence.

SECTION 66. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

The court shall have exclusive jurisdiction in proceedings concerning any child living, or found within the district, who allegedly:

(1) Has been a habitual run away from his parent or person exercising custodial control or supervision of the child; or

(2) Has not subjected himself to the reasonable control of his parent or guardian or school personnel or person exercising custodial control or supervision of the child; or

(3) Has been a habitual truant from school; or

(4) Has not followed an order of the court relative to his status offense or for his failure to appear before the court for a previous status offense.

SECTION 67. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

Under the provisions of this Chapter a child may be taken into custody by any peace officer:

(1) Pursuant to an order of the court for failure to appear before the court for a previous status offense, or;

(2) If there are reasonable grounds to believe that the child has been a habitual run away from his parent or person exercising custodial control or supervision of the child.

(3) If there are reasonable grounds to believe that the child is by himself or in association with an adult who profits therefrom, engaged in illegal sexual activity, including prostitution, as prohibited by KRS 529.050, indecent exposure as prohibited by KRS 510.100, or any act prohibited by KRS Chapter 531. The law relating to the person by whom and the circumstances under which a person may be arrested or detained for a status offense shall be applicable to children, but the taking of a child into custody under such law shall not be termed an arrest.

SECTION 68. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

A person taking a child into custody, with all reasonable speed shall in this sequence:

(1) Deliver the child suffering from a physical condition or illness which requires prompt medical treatment to a medical facility or physician. Children suspected of having a mental or emotional disorder shall be placed for evaluation in accordance with the provisions of KRS Chapter 208G;

(2) Contact a court-designated agency or representative who will have the responsibility for determining appropriate placement, including a parent, relative, other responsible adult, or emergency shelter facility; or where no court-designated agency exists;

(3) Release the child, upon the written promise of the parent or person exercising custodial control or supervision of the child to bring the child before the court or its court-designated worker at a stated time;

(4) Release the child to an adult, relative or other responsible adult, if the parent refuses to accept the child or the parent cannot be found, upon the adult's promise to bring the child before the court, or its court-designated worker;

(5) Contact an emergency shelter-care facility to ascertain if a placement is available. If a placement is available, deliver the child to an emergency shelter care facility;

(6) Only when alternatives (1) through (5) in this section have been exhausted, may a person deliver a child to a secure facility except those facilities that house adult offenders. Whenever the child has not been released to his parents or person exercising custodial control or supervision, the person taking the child into custody shall promptly give verbal notice to the parent or person exercising custodial control or supervision of the child and shall provide a written statement to the court of the reasons for taking the child into custody;

(7) If the child is placed in an emergency shelter-care facility or medical care facility, during the adjudication and disposition of his case, the court may order his parents to be responsible for the expense of his care. The person taking the child into custody shall within one (1) hour file a complaint at the court, stating the status offense charged by KRS number and the reason why the child was not released to the parent or other person exercising custodial control or supervision of the child, relative or other responsible person, a court-designated agency, an emergency shelter care facility or medical facility. Pending further disposition of the case, the court or the court-designated worker may release the child to the custody of any responsible party who can provide adequate care and supervision;

(8) Anyone acting within the scope of his duties as a sworn peace officer upon reasonable cause in the placing of a child in a facility as provided in this section, in good faith shall have immunity from any liability, civil or criminal, that might otherwise be incurred or imposed. Any person shall have the same immunity with respect to participation in any such judicial proceeding resulting from placing a child in any facility under this section.

SECTION 69. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

(1) Before commencing any judicial proceedings on any complaint alleging the commission of a status offense, the party or parties seeking such court action shall meet for a conference with a court-designated worker for the express purpose of determining whether or not:

(a) Any appropriate program that the child and the family may enter voluntarily has been considered and exhausted to remedy the conflict prior to the petition having been filed; and

(b) That the alleged offense cannot be resolved without court action.

(2) Upon obtaining sufficient information from the complainant, the court-designated worker may:

(a) Refer the matter to the court by assisting in the filing of a petition under Section 70 of this Act; or

(b) Refer the child and his family to a public or private social service agency.

(3) Information obtained from the child pertaining to the alleged offense or offenses obtained during this process shall be considered privileged.

(4) No child shall be brought before the court for truancy unless an adequate assessment of the child has been performed pursuant to KRS 159.140(3), (4) and (6) unless it can be shown that the assessment could not be performed due to the child's failure to participate.

SECTION 70. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

If after the conference with the court-designated worker, the party or parties seeking such court action have met the conditions of Section 69(2) of this Act a verified petition may be filed by the petitioner. The petition shall contain all the information in Section 10 of this Act and:

(1) A list of all less drastic alternative resources which have been utilized and exhausted to remedy the conflict prior to the petition having been filed; and

(2) That the alleged offense cannot be resolved without court action.

SECTION 71. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

Upon the court's motion or the motion of any party, an informal adjustment may be made at any time during the proceedings, in accordance with Section 13(3) of this Act.

SECTION 72. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

No child shall be detained as a means or form of punishment. When a child is detained as provided in Section 68(6) of this Chapter for the alleged commission of an offense as provided in Section 66 and not released, a hearing shall be held as soon as is practical, but within twenty-four (24) hours of the detention exclusive of Saturdays and Sundays, and legal holidays. In order for the court to detain the child, the Commonwealth shall establish probable cause that:

(1) A status offense has been committed and that the child committed the offense. If the Commonwealth fails to establish these grounds, the petition shall be dismissed and the child shall be released. If the grounds are established, the child may be held in secure detention as provided in Section 68(6) of this Chapter pending an adjudicatory hearing only if the Commonwealth shows probable cause to believe that:

(a) All alternatives to secure detention have been exhausted; and

(b) The child has a recent record of failing to appear at court hearings and requires detention to assure his presence at subsequent hearings; or

(c) The child has run away from a secure or non-secure facility; or

(d) The alleged status offender has run away from his home and his parents, guardian, or person exercising similar custodial control or supervision of the child has orally agreed to assume physical custody or pay for his transportation within forty-eight (48) hours. The child may on his own motion present to the court reasons why he should not be returned to his parents or person exercising similar custodial control or supervision of the child. Upon consideration of such motion the court may in its discretion place the youth in a non-secure facility and concurrently order that a protective services investigation be commenced as allowed by KRS Chapter 208B; or

(e) The department has initiated or intends to initiate transfer of the youth by competent document under the provisions of the interstate compact pursuant to Section 29 of this Act; or

(f) The child is a danger to himself or others, unless he is suspected of having a mental or emotional disorder and requires medical attention in which case the child shall be placed for evaluation in a facility in accordance with KRS Chapter 208G; or

(g) The child is, by himself, or in association with an adult who profits therefrom engaging in illegal sexual activity, including prostitution as prohibited by KRS Chapter 530, indecent exposure as prohibited by any acts prohibited by KRS Chapter 531.

SECTION 73. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

The general conduct of hearings under this Act relating to status offenders shall follow the procedure pursuant to Section 12 of this Act.

SECTION 74. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

No alleged status offender shall be held in secure detention as provided in Section 68(6) of this Act pending adjudication for a period exceeding ten (10) days after the detention hearing pursuant to Section 76 of this Act, unless waived by the child, and the court considers this waiver in his best interest. Under no circumstances shall a child be held in secure detention more than ten (10) days after the exercise of this waiver.

SECTION 75. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

No adjudicated status offender shall be held in secure detention as provided in Section 68(6) of this Act pending disposition for a period exceeding ten (10) days after the adjudication hearing, unless waived by the child and the court considers it in the child's best interest. Under no circumstances shall a child be held in secure detention more than ten (10) days after the exercise of this waiver.

SECTION 76. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

The general conduct of the dispositional hearings under this section relating to status offenders shall follow the procedures pursuant to Section 12 of this Act and:

(1) At the disposition of a child adjudicated on a petition brought pursuant to Section 70 of this Act, all information helpful in making a proper disposition, including oral and written reports may be received by the court provided that the parents, their counsel, the prosecuting attorney, the child's counsel, or other interested parties as determined by the judge shall be afforded an opportunity to examine and controvert the reports and cross-examine the individuals making the reports. For good cause the court may allow the admission of hearsay evidence.

(2) The court shall first determine that all appropriate remedies have been considered and exhausted to assure that the least drastic alternative method of treatment is utilized.

(3) The court may order the child and his family to participate in any programs which are necessary to effectuate a change in the child and the family. The court shall consider all appropriate local remedies to aid the child and his family subject to the following conditions:

(a) Residential and non-residential treatment programs for status offenders shall be community-based and non-secure;

(b) With the approval of the education agency, the court may place the child in a non-secure public or private education agency accredited by the department of education.

(4) When all appropriate resources have been reviewed and considered insufficient to adequately address the needs of the child and his family, the court may commit the child to the department for such services as may be necessary. The department shall consider all appropriate local remedies to aid the youth and his families subject to the following conditions:

(a) Status offenders may not be placed in secure facilities for residential treatment;

(b) Treatment programs for status offenders shall be community-based and non-secure;

(c) The department may place the child in a non-secure public or private education agency accredited by the department of education;

(d) The department may initiate proceedings when the parents fail to participate in the department's treatment programs;

(e) The department may discharge the child from commitment after providing for ten (10) days prior written notice to the committing court who may object to such discharge by holding court review of the commitment under Section 19 of this Act.

SECTION 77. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

No status offender shall be held in secure detention after disposition for a period exceeding twenty-four (24) hours.

SECTION 78. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

The department shall promulgate such regulations as are necessary for the implementation of this Chapter.

SECTION 79. A NEW SECTION OF KRS CHAPTER 208D IS CREATED TO READ AS FOLLOWS:

In addition to Section 16 of this Act, the court may order:

(1) Any parent, guardian, or person exercising similar custodial control or supervision of a child referred to the court pursuant to Section 70 of this Act to cooperate and actively participate in such treatment or social service programs which might reasonably be expected to meet the goal of enhancing the best interests of the child and family unity. When it appears to the court that the parents have failed to cooperate and actively participate in said programs, the court may issue a summons for the parent of the child which shall require them to attend a hearing in which they may rebut any evidence which may allege that they have violated a court order. The court may exercise its powers of contempt in addition to any other remedy provided by law to compel obedience of the parents, guardian, or person exercising custodial control or supervision of the child to the court's orders.

(2) Any person who violates any provision of this chapter shall be fined not less than $100 nor more than $500 or be imprisoned in the county jail for not more than 30 days, or both.

SECTION 80. KRS CHAPTER 208E IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

(1) The law relating to the persons by whom and the circumstances under which a person may be arrested for a public offense shall be applicable to children, but the taking of a child into custody under such law shall not be termed an arrest. The law relating to bail shall not be applicable to children detained in accordance with this Act.

(2) When a child is taken into custody by a person other than a peace officer, on a charge of committing a public offense, such person shall as soon as possible place the child in the custody of a peace officer.

(3) When a peace officer has taken or received a child into custody on a charge of committing an offense, the officer shall immediately notify the parent, or if the parent is not available, then a relative, guardian, or person exercising custodial control or supervision of the child, that the child has been detained, give an account of specific charges against the child, including the specific statute alleged to have been violated, and the reasons for the detention, and state the time and place of the detention hearing. Unless the nature of the offense or other circumstances are such as to indicate the necessity of keeping the child in secure custody, the officer shall release the child to the custody of his parent or other responsible adult upon the written promise, signed by such person, to bring the child to the court at a stated time or at such time. The written promise, accompanied by a written report by the officer, shall be submitted to the court forthwith. If the person fails to produce the child as agreed or upon notice from the court, a petition, warrant, or both may be issued for the apprehension of the person or of the child, or both.

(4) The peace officer may, in lieu of following the procedure set forth in subsection (3) of this section, take a child to a court approved center offering voluntary services to children and release the child without formal charges being filed, provided that the offense the child has allegedly committed under the provisions of Section 4(1)(a) of this Act:

(a) Is not a felony offense; and

(b) The peace officer has received the permission of the parent or other responsible adult; and

(c) Has followed guidelines which the court has established for such release.

SECTION 81. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

(1) The fiscal court of each county shall provide for a suitable facility or facilities for the custody and care of children held in custody pending disposition of their cases by the district court, and may employ necessary personnel for the operation thereof.

(2) In counties containing a city of the first or second class, the fiscal court shall maintain a permanent detention home, either through arrangement with another public agency or with a private organization or agency, or by acquiring and operating the home as a county institution.

(3) In counties other than those containing a city of the first or second class, the fiscal court shall either maintain a detention home or arrange for the use of private or family homes.

(4) Each child detained in such facility shall be deemed to be under the jurisdiction of the district court before which his case is pending.

SECTION 82. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

No child under sixteen (16) shall at any time be detained in any police station, lockup, jail or prison, except that, on the basis of a hearing for that purpose, by the juvenile court judge, a child whose conduct or condition is such as to endanger his safety or welfare or that of others in the detention facility for children, may be placed in a jail or other place of detention for adults, but in a room or ward separate by sight and sound from adult prisoners.

SECTION 83. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

(1) If child is not released as provided in subsection (3) of Section 80 of this Act, the child shall be taken without delay to the court or to the detention facility provided for under Section 82 of this Act. The officer shall as soon as possible thereafter make a written report to the court, stating the fact of such detention, the offense charged, and the reason why the child was not released to the parent or other responsible adult. Pending further disposition of the case, the court may release the child to the custody of the parent or other responsible person or may continue to hold the child in detention.

(2) When a child is detained for the alleged commission of an offense as provided in Section 4(1)(a) of this Act and not released, a hearing shall be held as soon as practical, but not to exceed seventy-two (72) hours, exclusive of Sunday, and legal holidays, of the commencement of detention.

(3) The child shall be afforded all constitutionally guaranteed rights at every stage of the proceedings including, but not limited to notice of the charges, the privilege against self-incrimination, the right to confront and cross-examine witnesses and the right to counsel.

(4) The hearing shall address the following issues:

(a) If there is probable cause to believe that an offense has been committed and that the accused child committed that offense. The Commonwealth shall bear the burden of proof and it shall be by a preponderance of the evidence, and if it should fail to establish such probable cause, the child shall be released and the complaint dismissed;

(b) Whether further detention is necessary to assure the safety of the child, protection of the community, and the appearance of the child in court;

(c) In determining detention for offenses provided in Section 4(1)(a) of this Act, the court shall consider the seriousness of the alleged offense; the possibility that the child would commit an offense dangerous to himself or the community pending disposition of the original offense; the child's prior record, if any; and whether there are charges pending against the child in another jurisdiction;

(5) If, after completion of the detention hearing the court is of the opinion that detention is necessary, the order shall state in writing the specific reasons for detention and the nature of the detention.

(6) Unless a hearing is held and the necessity for detention properly established, the child shall be released to the custody of its parent or other responsible persons pending further disposition of the case. (A child shall have a right to counsel at any hearing determining its right to freedom pending the disposition of its case, and its parents or other responsible person shall have a right to attend the hearing if such attendance will not unnecessarily delay the hearing. Any person aggrieved by a proceeding under this subsection may proceed by habeas corpus to the circuit court.)

(7) Whether the child is released before or after a hearing, or is detained as a result of such hearing, the child and his parents, relative, guardian, or custodian shall be given written notice of the time and place of the adjudicative hearing concerning the child and an account of the specific charges against the child, including the specific statute alleged to have been violated. Such notice shall be given at least seventy-two (72) hours prior to the initial hearing on the case.

SECTION 84. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

(1) Physical evidence shall be obtained and utilized in the investigation of public offenses involving children in the same manner as it is obtained and utilized in the investigation of public offenses involving adults.

(2) All records and physical evidence so obtained shall be surrendered to the court upon elimination of a child as a suspect in the case.

(3) The court shall upon receipt of physical evidence, return any evidence, which is not contraband or is not needed for further prosecution, to its lawful owner.

SECTION 85. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

(1) In each district court there shall exist court-designated worker(s) who shall receive complaints arising under Section 4(1)(a) of this Act. All complaints which constitute a capital offense or Class A or B felony or a youth under the provisions of KRS Chapter 208F of this Act shall be set for arraignment. All other public offenses shall be proceeded within accordance with the following:

(a) The county attorney shall cause a review to be made of each complaint. The purpose of this review shall be to determine from the available evidence whether there is reasonable grounds to believe that the alleged facts would constitute a public offense and are sufficiently serious to warrant court action. The county attorney may elect not to proceed with the complaint.

(b) In the event the county attorney elects to proceed, the court-designated worker shall make a preliminary determination as to whether the complaint is complete, consulting with the county attorney or designee as may be necessary. In any case where the court-designated worker finds that the complaint is incomplete, the court-designated worker shall return the complaint without delay to the person or agency originating the complaint or having knowledge of the facts, or to the appropriate law enforcement agency having investigative jurisdiction of the offense, and request, and the agency shall promptly thereafter furnish, additional information in order to complete the complaint. If the court-designated worker determines that the complaint is complete, he shall conduct a preliminary intake inquiry concerning such complaint to determine whether in the interests of justice the complaint can be resolved informally without the filing of a petition. The court-designated worker may recommend that a petition be filed. Prior to conducting a preliminary intake inquiry, the court-designated worker shall notify the child and the child's parents or guardian in writing:

1. Of their opportunity to be present at the preliminary intake inquiry;

2. Their right to have counsel present during the preliminary intake inquiry as well as the formal conference thereafter;

3. That their participation in the preliminary intake inquiry or any resulting plan of diversion is voluntary;

4. That all information gained by virtue of participation in the preliminary intake inquiry is privileged and that said privilege can be waived only with the consent of the child, and

5. That the child has the right to deny the charge and demand a formal court hearing.

(c) Upon the completion of the preliminary intake inquiry, the court-designated worker shall conduct a formal conference at which conference he shall present to the child and the child's parents or guardian information obtained at the preliminary intake inquiry and shall set forth in writing alternative

referral programs available to the child and the criteria used to determine whether to proceed with a diversionary agreement or whether to refer the matter for the filing of a public offense petition. If the court-designated worker determines that, in his judgment, the interests of the child and the public will be thereby best served, he may recommend that a public offense petition not be filed. If such a recommendation is made, the court-designated worker shall advise in writing the complainant, the victim if any, and the law enforcement agency having investigative jurisdiction of the offense of the recommendation and the reasons therefor and that person or agency may submit within ten (10) days from receipt of such notice a complaint to the county attorney or designee for special review.

(d) The county attorney or designee upon receipt of a request for special review shall consider the facts presented by the complainant or agency and by the court-designated worker who made the recommendation that no petition be filed, before such county attorney or designee makes a final decision as to whether a petition shall or shall not be filed. In all cases in which the child is alleged to have committed a delinquent act and is not detained, the court-designated worker shall submit his written recommendation to the county attorney or designee within twenty (20) days from the date the child was taken into custody or the complaint was filed. In cases where the child is in detention, the court-designated worker's report shall be submitted within seventy-two (72) hours of the detention.

(e) In cases where the court-designated worker has recommended that no petition be filed and the complainant or victim if any or law enforcement agency having investigative jurisdiction of the offense have not called for a special review, said worker and the child may enter into a diversionary or mediation program or other program voluntarily accepted by the child and his parents or legal custodians which agreement may include the following: An informal plan of services provided by the court or its staff; referral of the child to a public or private organization, agency or person to assist the child and the child's family to resolve the problems presented in the complaint; referral to a community service program in accordance with the provisions of Section 90(1) of this Act; restitution, limited to the amount of actual property or pecuniary loss incurred by the victim provided that the youth has the means or could acquire the means to make restitution; other such programs or efforts which might reasonably benefit the community and the child. In assessing periods of community service to be performed and restitution to be paid by the youth who has entered into a diversion agreement, the court-designated worker shall to the extent possible involve members of the community. Such members of the community shall meet with the youth and advise the court-designated worker as to the terms of the diversion agreement and shall supervise the youth in carrying out its terms. The diversionary agreement shall not cover a period in excess of six (6) months.

(f) If the terms of the agreement are successfully completed, the court-designated worker shall retire the complaint, the charges shall be considered dismissed and further prosecution is prohibited. In the event the child fails to comply with the terms of the agreement, the court-designated worker shall provide ten (10) days' written notice to the child and the child's parents or legal custodians and counsel of his intent to file a public offense petition based upon the original complaint, whereupon the court-designated worker shall meet and confer with the child and the child's parents or legal custodians and counsel to consider from the child's viewpoint why a petition should not be filed.

(g) In the event that a complaint is not retired as a result of an agreement or in the event that the child fails to comply with the terms of an agreement and a petition is filed, the court shall proceed to hear the petition in accordance with the provisions of subsection (2) of this section as if the agreement had never been formulated. In the event that petition is filed based upon the court-designated worker's determination that the child has failed to comply with the terms of an agreement, the child may upon arraignment of said petition move for dismissal of the petition on the basis that the agreement was substantially complied with.

(2) In the event a petition is filed, said petition shall be verified by information and belief and contain the information listed in Section 10 of this Act.

SECTION 86. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

If, prior to an adjudicatory hearing:

(1) There is a reasonable cause to believe that a child before the court has committed a felony other than those described in (2) and (3) in this section, a misdemeanor, or violation, the court shall proceed in accordance with KRS Chapter 208E of this Act.

(2) A child over 14 before the court has been charged with a capital offense, Class A felony or Class B felony, the court shall proceed in accordance with KRS Chapter 208F of this Act.

(3) A child over 16 before the court has been charged with a Class C or Class D felony and has on two prior separate occasions been adjudicated delinquent of a felony offense, the court shall proceed in accordance with KRS Chapter 208F of this Act.

(4) A person previously convicted as a youthful offender and charged with the commission of a felony, shall be proceeded against in accordance with KRS Chapter 208F of this Act.

(5) A child who is charged as is provided in subsection (2) of this section and is also charged with a Class C or D felony arising from the same course of conduct, shall have all charges included in the same proceedings and the court shall proceed in accordance with KRS Chapter 208F of this Act.

SECTION 87. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

When a child before the court, whether by the petition provided for in Section 10 of this Act, or by reason of having been taken into custody pursuant to Section 80 of this Act is found by the court to come within the purview of Section 4(1)(a) of this Act, the court shall so decree and in its decree shall make a finding of the facts upon which the court exercises its jurisdiction over the child. If the court finds that the child does not come within the purview of Section 4(1)(a) of this Act, the child shall be discharged and the proceedings dismissed.

SECTION 88. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

No adjudication by a juvenile court of the status of any child shall be deemed a conviction, nor shall such adjudication operate to impose any of the civil disabilities ordinarily resulting from a criminal conviction, nor shall any child be found guilty or be deemed a criminal by reason of such adjudication.

SECTION 89. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

(1) After adjudication, a determination by the court that detention pending disposition is necessary shall be based on a finding of the court by a preponderance of the evidence that the circumstances surrounding the child are such as to endanger his safety or welfare or that of the community.

(2) After the adjudication, the court may order public offenders for evaluation pursuant to Section 138 of this Act.

SECTION 90. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

If in its decree the juvenile court finds that the child comes within the purview of KRS Chapter 208E of this Act, the court may:

(1) Order the child to make restitution or reparation to any injured person to such extent, in such sum and upon such conditions as the court determines.

(2) Place the child on probation or under supervision in his own home or in a suitable family home or boarding home, upon such conditions as the court shall determine. Probation or supervision shall not be ordered or administered as a punishment, but as a measure for the protection, guidance and well-being of the child and his family. A child so placed on probation or supervision shall be subject to the visitation and supervision of a probation officer or a child welfare worker. Probation and supervision methods shall be directed to the discovery and correction of the basic causes of maladjustment and to the development of the child's personality and character, with the aid of the social resources of the community. A child so placed on probation or supervision shall remain subject to the jurisdiction of the court until he becomes eighteen (18) years of age, unless he is discharged prior thereto by the court, except that if a person is placed on probation or supervision after he reaches the age of seventeen (17) years and six (6) months, such probation or supervision shall be for a period not to exceed one (1) year.

(3) Commit the child to the custody or guardianship of the department or of a private institution or public agency authorized to care for such children, or place the child under the custody and the supervision of a suitable person. All orders of commitment may include such advisory recommendations as the court may deem proper in the best interests of the child and of the public. Such commitment or placement shall be until the age of eighteen (18) subject to the power of the court to terminate the order and discharge the child prior thereto, except that if such commitment or placement is after a person has reached the age of seventeen (17) years and six (6) months such commitment or placement shall be for an indeterminate period not to exceed one (1) year. The governing authorities of said department, agency or institution may likewise discharge the child unless the court directs otherwise. Prior to said discharge two (2) weeks' written notice must be given to the committing court, to the legal representative of the child and to the county attorney of the county in which committing court presides. During the period of commitment or placement, the court may review a dispositional order and may modify or terminate such order as the court deems essential to the best interests of the child. In committing a child to a private institution or agency the court shall select one that is approved by the department and children committed to such an institution or agency shall be subject to the visitation and supervision of a probation officer or child welfare worker.

SECTION 91. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

The court may also order:

(1) In the event a child who has not reached his eighteenth birthday commits a new offense while under the jurisdiction of the court or during the period of commitment the court shall have exclusive, original jurisdiction of new offense. If a child fourteen (14) or older has been adjudicated delinquent the court

in its discretion may order participation in a community services work program. The work program shall be of a constructive nature designed to promote the rehabilitation of the child. The program shall be appropriate to the age level and physical ability of the child and shall be combined with counseling from a probation officer or other responsible person. The work program shall not be scheduled during such times that would interfere with educational, occupational, or religious obligations of the child. Assignment to a community services work program shall be made to a governmental or nonprofit community organization for a specified period of time, not to exceed one hundred and twenty (120) hours. A child may be directed to participate in a community services work program as provided in this subsection for the purposes of restitution authorized by Section 90(1) of this Act.

(2) If a child sixteen (16) years or older is adjudicated delinquent in the commission of any offense the court may in its discretion impose a fine. The imposition of a fine for an offense committed by a child shall be based upon a determination that such disposition is in the best interest of the child and to aid in his rehabilitation. Any such order shall include a finding that the child is financially able to pay such fine.

(a) Fines shall be levied consistent with the schedule set forth below:
For a felony, not to exceed $500;
For a misdemeanor, not to exceed $250;
For a violation, not to exceed $100.

(3) When a child is directed by the court to pay a fine, the court may provide for payment to be made within a specified period of time or in specified installments. If such provision is not made a part of the court's disposition, the fine shall be payable immediately. Nothing contained herein shall be construed as limiting the court's exercising its inherent contempt powers.

(4) Any detention imposed for failure to comply with the court order shall not be scheduled for a time that would interfere with the educational or religious obligations of the child, and shall be in a secure detention facility. Any portion of a day spent in detention pursuant to the court's exercising of its contempt powers shall be deemed as one (1) day for purposes of serving a detention term.

SECTION 92. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

In addition to the dispositions described in Sections 90 and 91 of this Act, the court may:

(1) If a child is fourteen (14) years of age or older, and is adjudicated delinquent in the commission of a capital offense, Class A felony, Class B felony, the court in its discretion may commit the child to the department for purposes of institutionalization for an indeterminate period of time not exceeding twelve (12) months.

(2) If a child is sixteen (16) years of age or older, and is adjudicated delinquent in the commission of a felony offense and has previously been adjudicated delinquent of a felony offense in two (2) or more separate adjudications, the court in its discretion may commit the child to the department for purposes of institutionalization for an indeterminate period of time not exceeding twelve (12) months.

(3) The department shall maintain jurisdiction over the child during the period of the commitment. The committing court may, upon motion of the department, order the child released from the residential institution operated by the department.

(4) The department shall notify the committing court prior to the termination of institutionalization as to the future intentions of the department as they relate to continued treatment of the child.

(5) The committing court may, with the consent of the department and upon motion of the child, grant shock probation to any child committed under this section after the child has been committed for a minimum of thirty (30) days.

(6) After a child has been disposed of as provided in this section he may not then be transferred to the circuit court as provided for in Section 96 of this Act.

SECTION 93. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

(1) Any child committed to the department who is placed on supervised placement from a residential treatment facility by the department and who violates the terms or conditions of supervised placement may be apprehended and returned to active custody of the department by any probation officer of the department or by any peace officer on direction of the department.

(2) Such child may be taken into custody and detained in one of the department's residential treatment facilities prior to the administrative hearing, provided a preliminary hearing is held by a person designated by the commissioner of the bureau for social services within forty-eight (48) hours of such detention to determine if there is probable cause to believe that the child violated his supervised placement conditions and, if so, to determine if the best interest of the child requires that the child be held in custody pending an administrative hearing pursuant to subsection (3).

(3) Whether or not the child is returned to the department's active custody pending a hearing, before readmitting the child to a residential treatment program pursuant to this section, except as provided in subsection (2), an administrative hearing shall be held within seven (7) days of the request to readmit the child

to a residential treatment program unless the child and his representative request or agree to a longer period of time. The hearing shall be held by a three-member board designated by the department to hear such matters at which time the child and parents shall be given an opportunity to be heard and be represented by counsel.

(4) If it appears to the department that a child committed to it by reason of the commission of a public offense constituting a felony, is incapable of benefiting from treatment by the facilities of the department, the child shall be returned by the department to the circuit court of the county in which the offense was committed, for appropriate proceedings. If the child originally was committed to the department by such circuit court, following a conviction of the felony upon a trial in the circuit court, the court shall commit the child to the state penitentiary for the duration of the sentence fixed by the verdict, allowing credit for such period of time as the child was in custody of the department. Otherwise, the circuit court shall proceed the same as if the child was an adult under arrest on a felony charge, and in the event the child is convicted and sentenced on the felony charge, credit shall be allowed on the sentence for the period of time the child was in the custody of the department.

SECTION 94. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

The department shall promulgate such regulations as are necessary to implement this chapter.

SECTION 95. A NEW SECTION OF KRS CHAPTER 208E IS CREATED TO READ AS FOLLOWS:

Any person who violates Section 82 of this Act, shall be fined not less than one hundred ($100) nor more than five hundred dollars ($500) or imprisoned in the county jail for not more than thirty (30) days, or both.

SECTION 96. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

(1) For children falling in the purview of Section 86(2), (3), (4) and (5) of this Act, the court shall hold a preliminary hearing during which the Commonwealth shall prove by probable cause the existence of at least one of the following factors:

(a) In the commission of the offense or in the flight therefrom, the child did inflict serious physical injury or did cause physical injury through the use of a deadly weapon or dangerous instrument. The terms "serious physical injury," "physical injury," "deadly weapon" and "dangerous instrument" as used in this subsection are defined in KRS 500.080;

(b) The child has been adjudicated delinquent of a felony within one (1) year prior to the commission of the charged offense; or

(c) The child has failed to comply with the conditions of dispositional order imposed following an adjudication of delinquency for a felony offense during the year immediately preceding the bringing of this action.

(2) If the Commonwealth sustains its burden of proving the existence of at least one (1) of the foregoing factors, the child shall be transferred to the circuit court to be tried as a youthful offender, except that the child may present to the court reasons why he should not be transferred to the circuit court.

(3) If the Commonwealth fails to prove the existence of at least one (1) of the factors listed in subsection (1) of this section or if the court is convinced that the child should be dealt with in the juvenile court as any other person charged with a public offense under the provisions of this chapter taking into account the child's amenability to treatment with the juvenile justice system, the child shall not be transferred to the circuit court but shall be treated as any other child before the juvenile court charged with the commission of a public offense.

SECTION 97. KRS CHAPTER 208F IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

Any person proceeded against as a youthful offender under the provisions of this Act shall, regardless of his age, be transferred to a facility meeting the requirements of Section 82 of this Act, if he is unable to meet the conditions of release or bail established pursuant to KRS Chapter 431 and Rule 4 of the Kentucky Rules of Criminal Procedure.

SECTION 98. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

A youthful offender, if convicted of a felony offense in circuit court, shall be subject to the same type of sentencing procedures and duration of sentence, including probation and conditional discharge, as an adult convicted of a felony offense, except that:

(1) The presentence investigation required by KRS 532.050 shall be prepared by the department or by its designated representative.

(2) Any sentence of incarceration imposed upon the youthful offender shall be served in an institution operated by the department until: the expiration of the sentence; the youthful offender is paroled; the youthful offender is probated; or the youthful offender reaches the age of eighteen (18), whichever first

occurs. If an individual sentenced as a youthful offender attains the age of eighteen (18) prior to the expiration of his sentence, and has not been probated or released on parole, that individual shall be returned to the sentencing court. At that time the sentencing court shall make one of the following determinations:

(a) Whether the youthful offender shall be placed on probation or conditional discharge;

(b) Whether the youthful offender shall be returned to the department to complete a treatment program, which treatment program shall not exceed a period in excess of six (6) months. At the conclusion of the treatment program or at the expiration of six (6) months, whichever first occurs, the individual shall be finally discharged;

(c) Whether the youthful offender shall be incarcerated in an institution operated by the bureau of corrections.

SECTION 99. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

(1) No youthful offender who has been convicted of a capital offense shall be sentenced to capital punishment, but instead shall be sentenced to a term appropriate for one who has committed a Class A felony.

(2) No youthful offender shall be subject to persistent felony offender sentencing under the provisions of KRS 532.080 for offenses committed before the age of eighteen (18) years.

(3) No youthful offender shall be subject to limitations on probation, parole or conditional discharge as provided for in KRS 533.060.

(4) Any youthful offender convicted of a misdemeanor or any felony offense which would exempt him from Section 86(2), (3), (4), or (5) of this Act shall be disposed of by the circuit court in accordance with the provisions of Section 96 of this Act.

SECTION 100. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

Any period of probation or conditional discharge required by the sentencing court to be supervised shall be supervised by the department or its designated representative regardless of the age of the youthful offender.

SECTION 101. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

(1) Upon motion of the department, the sentencing circuit court may after notice and hearing, order a youthful offender committed to the bureau of corrections if it is established by a preponderance of the evidence that the youthful offender has:

(a) By his violent behavior, injured or endangered the life or health of another youthful offender or staff members in the institution; or

(b) Escaped from the institution from which he is being held more than one (1) occasion; or

(c) By his actions, caused disruption in the institution by encouraging other residents to engage in violent behavior which has injured or endangered the life or health of other youthful offenders or staff in the institution; or

(d) By his actions, caused disruption in the institution, smuggled contraband into the institution, caused contraband to be smuggled into the institution, or engaged in other types of behavior which have endangered the life or health of other youthful offenders or staff in the institution.

(2) Such hearing shall be held in the sentencing circuit court within five (5) days of the filing of the motion provided for in subsection (1) of this section.

(3) Upon admission to a departmental institution, the department shall advise the youthful offender of the provisions of this section.

SECTION 102. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

(1) The governor shall appoint a youthful offender parole board consisting of five (5) members, one (1) of whom he shall name as chairman. Recommendations for appointment shall be made by the secretary of the department for human resources. Each member appointed to the board must have at least five (5) years actual experience in the field of juvenile justice, penology, correction work, law enforcement, sociology, law, education, social work or medicine related to the juvenile justice system. No more than three (3) board members shall be of the same political party. The board shall be attached to the department for human resources for administrative purposes only and the department for human resources shall provide such clerical, stenographic, administrative and expert staff assistance as the board deems necessary to carry out its duties.

(2) The members of the board shall be employed on a part-time basis working the number of hours required to carry out the duties of their office and shall receive necessary traveling expenses and a salary to be determined pursuant to KRS 64.640(2). Their term of office shall be for a period of four (4) years and until their successors are appointed and have qualified, except that the first appointment shall be for terms of one (1) member for four (4) years, two (2) members for three (3) years and two (2) members for

two (2) years. Their successors shall be appointed thereafter as provided in this section for terms of four (4) years and a vacancy occurring before the expiration of the term of office shall be similarly filled for the expired term, provided that any member may succeed himself if reappointed by the governor. The chairman of the board shall serve as such at the pleasure of the governor.

(3) The youthful offender parole board shall:

(a) Study the case history of youthful offenders incarcerated in institutions operated by the department and determine if such youthful offenders shall be placed on parole;

(b) Conduct meetings on the desirability of granting parole;

(c) Grant parole and impose upon the parolee such conditions as may be appropriate under the circumstances;

(d) Issue warrants for persons charged with violations of parole and conditional release and conduct hearings on such charges, subject to the provisions of this Act;

(e) Determine the period of supervision for parolees, which period may be subject to extension or reduction after recommendation of the department or the bureau of corrections is received and considered;

(f) Grant final discharge to parolees;

(g) Adopt an official seal of which the courts shall take judicial notice; and

(h) Promulgate administrative regulations with respect to the eligibility of youthful offenders for parole.

(4) The youthful offender parole board may order any youthful offender who has violated the conditions of his parole to be returned to an institution operated by the department provided that a preliminary hearing shall be held within forty-eight (48) hours of the time the youthful offender is taken into custody to determine if there is probable cause to believe that the youthful offender has violated the terms of his parole. Such preliminary hearings shall be held before one (1) or more members of the youthful offender parole board or a designated representative. Within seven (7) days, unless an extension is requested or agreed to by the youthful offender of the taking of the youthful offender into custody, the youthful offender parole board shall hold a parole revocation hearing to determine if the youthful offender's parole should be revoked. Youthful offenders shall have their parole revoked only upon the findings of violations of the written terms and conditions of their parole as set forth by the youthful offender parole board.

(5) At any hearing before the youthful offender parole board to revoke parole, the youthful offender is entitled to be represented by counsel and other rights of due process.

(6) The youthful offender parole board shall convene at offices provided for it by the department at such time as required to perform their duties.

(7) Any youthful offender granted parole who attains the age of eighteen (18) years prior to the expiration of his term of parole shall be transferred to the control of the bureau of corrections for continued supervision for the remainder of his period of parole. The state parole board created by KRS Chapter 439 shall have jurisdiction over parole violations by youthful offenders transferred to the bureau of corrections.

(8) The orders of the board shall not be reviewable except as to compliance with the terms of this Act.

(9) The board shall keep a record of its acts, shall notify each institution of its decisions relating to the persons who are or have been confined therein, and shall submit to the governor a report with statistical and other data of its work at the close of each fiscal year.

SECTION 103. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

(1) The board may release on parole such youthful offenders confined in any juvenile institution as are eligible for parole. All paroles shall issue upon order of the board duly adopted. As soon as practicable after admission and at such intervals thereafter as it may determine, the department shall obtain all pertinent information regarding each youthful offender. Such information shall include his criminal record, his conduct, employment and attitude in confinement, and the reports of such physical and mental examinations as have been made. The department shall furnish the circumstances of his offense and his previous social history to the institution and the board. The department shall prepare a report on such information as it obtains. It shall be the duty of the department to supplement this report with such material as the board may request and submit such report to the board.

(2) Before granting the parole of any youthful offender, the board shall consider the pertinent information regarding the youthful offender and shall have him appear before it, or one or more members for interview and hearing, except that the board in its discretion may request the parole board of another state confining prisoners pursuant to KRS 196.610 to interview eligible prisoners and make a parole recommendation to the board. A parole shall be ordered only for the best interest of society and not as an award of clemency, and it shall not be considered a reduction of sentence or pardon. A youthful offender shall be placed on parole only when arrangements have been made for his proper employment or for his maintenance and care, and when the board believes he is able and willing to fulfill the obligations of a law abiding citizen.

(3) Whenever an order for parole is issued it shall recite the conditions thereof.

SECTION 104. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

Preliminary revocation hearings of parole shall be conducted by two (2) hearing officers. These hearing officers shall be attorneys, appointed by the board and admitted to practice in Kentucky, who shall perform the aforementioned duties and any others assigned by the board.

SECTION 105. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

The board may retain any youthful offender on parole for a period of at least one (1) year.

SECTION 106. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

The period of time spent on parole shall not count as a part of the youthful offender's maximum sentence except in determining parolee's eligibility for a final discharge from parole as set out in this Act or KRS 439.354.

SECTION 107. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

During the period of his parole the youthful offender shall be amenable to the orders of the board and the department.

SECTION 108. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

Youthful offender parolees shall be under the supervision of the department and subject to its direction for the duration of parole. Supervision of the parolee by the department shall cease at the time of recommitment or the youthful offender as a parole violator, or at the time a final discharge from parole is granted to the parolee by the board.

SECTION 109. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

Recommitment of a parolee on a new sentence received for commission of a crime while on parole, shall automatically terminate his parole status on any sentence on which he has not received a final discharge, or a restoration of civil rights, prior to the date of recommitment.

SECTION 110. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

When any paroled youthful offender has performed the obligations of his parole during his period of active parole supervision the board may, at the termination of such period to be determined by the board, issue a final discharge from parole to the youthful offender. Unless ordered earlier by the board, a final discharge shall be issued when the youthful offender has been out of an institution on parole a sufficient period of time to have been eligible for discharge from an institution by maximum expiration of sentence had he not been paroled, provided before this date he had not absconded from parole supervision or that a warrant for parole violation had not been issued by the board.

SECTION 111. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

After final discharge has been ordered and a certificate issued by the board, or after the parolee's civil rights have been restored by an act of the governor, the parolee may not be held again for a violation of that parole.

SECTION 112. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

It shall be the duty of the commonwealth's attorney after the imposition of youthful offender sentence, unless the defendant is granted probation, to cause to be forthwith transmitted to the institution with the commitment papers, a concise statement of the facts adduced at the trial or at the hearing of a plea of guilty, together with such notes of testimony as the board may request.

SECTION 113. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

All departmental or prison officials shall furnish members of the board, or its properly accredited representatives:

(1) Access at all reasonable times to any youthful offender over whom the board has jurisdiction under this Act;

(2) Facilities for communicating with and observing such youthful offender;

(3) Such reports as the board shall require concerning the conduct and character of any youthful offender in its custody; and

(4) Any other facts deemed pertinent by the board in determining whether such youthful offender shall be paroled.

SECTION 114. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS;

The board may issue subpoenaes requiring the attendance of witnesses and the production of records, books, papers and documents as it deems necessary for investigation of the case of any person before it. Subpoenaes may be signed and oaths administered by any member of the board. Subpoenaes so issued shall be served by any sheriff, constable, police, parole or probation officer, or other peace officer and a return made to the board in the same manner as similar process in the circuit court. Any person who testifies falsely or fails to appear when subpoenaed, or fails or refuses to produce documents, records or other such material when subpoenaed, upon citation by the circuit court where the board meets and after hearing by that court, shall be subject to the same order and penalties to which persons before that court are subject. Any circuit court, upon application of the board, may compel the attendance of witnesses, the production of documents, records or other such material, and the giving of testimony before the board.

SECTION 115. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

(1) When a youthful offender is placed on parole he shall receive from the state a sum not to exceed ten dollars ($10), suitable civilian clothing and transportation to the place in which he is to reside. However, if he is to reside outside the state, transportation shall be furnished only to the Kentucky boundary nearest his place of employment or for a distance of one hundred fifty (150) miles from the institution, whichever is the greater.

(2) In the discretion of the department a youthful offender on parole may be advanced for his temporary maintenance such sum as the secretary may allow, not to exceed twenty-five dollars ($25), from a fund provided for this purpose.

SECTION 116. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

An order of the board shall be sufficient warrant and authority to the officer in charge of any state juvenile or adult penal institution to release from custody any paroled youthful offender.

SECTION 117. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

No person shall be required to wear the regulation dress of the juvenile institution or penitentiary or other thing indicating he is under conviction for a crime while out on parole or conditional release.

SECTION 118. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

(1) Any juvenile parole officer, parole, probation or conditional release officer having reason to believe that a parolee has violated the terms of his release may arrest such person without a warrant or may deputize any other peace officer to do so by giving him a written statement setting forth that the parolee, in the judgment of the juvenile parole officer, probation, parole or conditional release officer, has violated the conditions of his release. Such written statement delivered with the parolee by the arresting officer to the official in charge of the secure detention facility shall be sufficient warrant for the detention of the parolee. The juvenile parole officer, probation, parole or conditional release officer who arrests or causes the arrest of the parolee shall notify the secretary at once of the arrest and detention of the parolee or conditional releasee, and shall submit in writing a report showing in what manner there has been a violation of the conditions of release. Thereupon, if the secretary believes the parolee should be returned to an institution, the secretary at once shall submit his recommendations to the board, and, if the board approves, it shall issue a warrant upon which the releasee shall be returned to an institution, otherwise the youthful offender shall be released upon the order of the secretary.

(2) A written statement, approved by the secretary, by a juvenile parole officer, parole or conditional release officer, and filed with the board setting forth that the parolee in the judgment of such officer has violated the condition of his release, shall be sufficient cause for the board, in its discretion, to issue a warrant for the arrest of the youthful offender or for his return to an institution.

(3) A youthful offender for whose return a warrant has been issued by the board, shall be deemed a fugitive from justice or to have fled from justice.

(4) The board may at its discretion issue a warrant for any parolee when in their judgment the condition of release has been violated.

SECTION 119. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

Whenever a youthful offender is transferred from the department to the bureau of corrections in accordance with this Act, the department shall transfer a copy of all records relating to the youthful offender to the bureau of corrections.

SECTION 120. A NEW SECTION OF KRS CHAPTER 208F IS CREATED TO READ AS FOLLOWS:

In addition to those powers provided to the youthful offender parole board in Section 102(3)(h) of this Act, the department shall promulgate such regulations as are necessary to implement this Chapter.

SECTION 121. KRS CHAPTER 208G IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

In addition to the purposes in Section 2, it shall be the declared policy of this Commonwealth that:

(1) Because each mentally disordered child has unique needs, it is appropriate to develop separate provisions in the statute for the treatment of children in hospitals and residential facilities.

(2) Any child brought before the court under this section shall have a right to treatment reasonably calculated to bring about an improvement of his mental disorder. Such treatment shall be provided in the least restrictive setting, and the youth's placement in a residential treatment facility or hospital shall be a placement of last resort.

SECTION 122. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

In addition to those definitions described in Section 3 of this Act, as used in this Chapter, unless the context otherwise specifies:

(1) "Advocate" means a person appointed by the court not employed by the hospital or residential treatment facility who shall be responsible for reviewing the voluntary status of admissions under this Act.

(2) "Dangerous" means danger, threat of danger to self or others, which results in substantial physical harm or threat of substantial physical harm to self or others, including actions which deprive self or others of the basic means of survival, including provisions for reasonable shelter, food or clothing.

(3) "Least restrictive alternative" means that the mental health treatments and conditions of treatment for the child, separately and in combination, are (a) no more harsh, hazardous or intrusive than necessary to achieve acceptable treatment objectives for such child and (b) involve no inpatient care restrictions on physical movement except as reasonably necessary for the administration of treatment or for the protection of the child or others from physical injury.

(4) "Mental health group home" means a community based home-like facility established for serving not less than four (4) nor more than eight (8) mentally disordered children. Such home shall not be adjacent to or part of an institutional campus. The children in such a group home shall participate in a treatment program developed by a mental health professional.

SECTION 123. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

(1) The jurisdiction of the court may be continued for six (6) months beyond a child's eighteenth (18th) birthday for purposes of continuity of treatment. After completion of the six (6) month period, the department may initiate a petition for the continued care under the provisions of KRS Chapter 202A. A petition shall come within the purview of KRS Chapter 208G within one (1) of the following classes:

Class I: Voluntary Admissions
- *A. Child over 14 by self*
- *B. Child under 14 by parent*

Class II: Voluntary Admissions Becoming Involuntary Commitments

Class III: Institutional Transfer by Agency

Class IV: Involuntary and Emergency Commitments
- *A. Original actions*
- *B. Transfer of jurisdiction from another section of this Act*
- *C. Emergency detentions with and without a warrant*

(2) A finding of jurisdiction under this section shall not necessarily preclude a finding of jurisdiction under any other section of KRS Chapter 208B, D, or E; however, jurisdiction under this section shall take precedence. No child shall be released from the jurisdiction of the court under this section if concurrent petitions under KRS Chapter 208B, D, or E are pending.

(3) No child who has been certified to circuit court pursuant to KRS Chapter 208F shall be eligible for referral for evaluation or commitment for treatment under this Chapter. Evaluations or commitment for treatment for such youthful offenders shall be initiated KRS Chapter 202A.

SECTION 124. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

The court shall appoint an advocate in each hospital or residential treatment facility located in the court's jurisdiction for the purposes indicated in Section 122 of this Act.

SECTION 125. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

Any child committed under Section 126(4) of this Act who reaches his fourteenth birthday shall consent to his continued hospitalization, or shall request his release from the hospital or residential treatment facility.

SECTION 126. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

For Class I Voluntary Admissions, a child:

(1) Over the age of fourteen (14) may voluntarily apply to any hospital or residential facility for evaluation, diagnosis, care and treatment of a mental disorder. Consent of said child's parents or guardian is not necessary;

(2) Over the age of fourteen (14) shall not be admitted upon the consent of a parent or guardian alone. The child must be in agreement or the matter shall be treated as involuntary, and proceed under Class IV, involuntary commitments;

(3) Over the age of fourteen (14), upon his own request be examined by two (2) qualified mental health professionals, at least one (1) of which is a physician. If the examination reveals the need for observation, diagnosis, care or treatment of a mental disorder, and the hospital staff certifies that this can only be accomplished effectively by further hospitalization of the child for treatment, and that this treatment cannot be accomplished on an outpatient or other less restrictive basis, then the staff of such hospital may admit the child as a voluntary patient in accordance with this Chapter;

(4) Under the age of fourteen (14) may be admitted by his parent or guardian to any hospital or other residential treatment facility and request that their child or ward be admitted for evaluation, diagnosis, care or treatment of a mental disorder. If an examination by two (2) qualified mental health professionals, at least one (1) of which is a physician reveals the need for the observation, diagnosis, care or treatment of a mental disorder and they certify that this can only be accomplished effectively by hospitalization of the child rather than treatment on an outpatient or other less restrictive basis, then the staff of such hospital may admit the child as a voluntary patient.

SECTION 127. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

For Class II Admissions, as provided for in Section 126 of this Act, a child who is voluntarily admitted for hospitalization and treatment:

(1) Shall be informed of his continuing right to request his own release, and to consult with the court appointed advocate. The child may request release from that facility at any time;

(2) Has the right to consult at any time with an independent advocate whose duty it shall be to ascertain whether the child's confinement remains voluntary. If the advocate determines that the admission is no longer voluntary he shall cause to be filed within twenty-four (24) hours of the child's request for release, a petition in accordance with Section 130 of this Act;

(3) If the facility staff or the child's parents or guardian oppose the child's request to be released, then the facility may hold the child for seventy-two (72) hours pending a court review of the child's request for release, or the child shall be released. If a child is held, a hearing shall be held in accordance with Section 135 of this Act.

SECTION 128. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

For Class III, Institutional Transfers:

If the department desires to transfer a child committed under KRS Chapter 208G from one (1) placement to another, or to admit a child to a hospital or residential treatment facility under the provisions of this Chapter, who has previously been committed under KRS Chapter 208B, C, D, or E, the department shall give prompt written notice to the committing court, to any counsel of record, and to the child and his parents. A child previously committed under KRS Chapters 208B, C, D, or E, and being proceeded against under the provisions of KRS Chapter 208G, shall be entitled to the rights set forth in Section 14 of this Act upon motion of any party. A child committed under KRS Chapter 208G is entitled to a hearing on motion of any party or on the court's own motion.

SECTION 129. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

(1) For Class IV Involuntary and Emergency Commitments, jurisdiction may be initiated by filing an original petition alleging mental disorder of a child and requesting involuntary commitment of such child, may be filed in the procedural manner set forth in Section 135 of this Act; and

(2) Amending any active petition originally filed under any other provision of KRS Chapter 208B, C, D, or E at any time prior to adjudication, to include jurisdiction under this section.

SECTION 130. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

(1) Any party in the interest of the child, may file a petition under KRS Chapter 208G. In addition to Section 10 of this Act the petition shall set forth with particularity a detailed description of the symptoms or behaviors of the child which support the allegations of the petition.

(2) Upon the filing of the petition, the court shall appoint counsel for the child. The office of public advocacy shall be appointed pursuant to KRS Chapter 31. The attorney so appointed shall represent the child at every stage of the proceedings. The court may order the parents to pay for the child's court-appointed attorney. The child's attorney shall advance the express wishes of the child during any pre-adjudicatory and adjudicatory proceedings. During dispositional proceedings, he shall advance the best interest of the child.

SECTION 131. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

(1) A petition when required may be taken by a friend, relative, spouse, guardian, physician, social worker, law enforcement officer, or any other interested party. The petition shall be filed with the circuit clerk.

(2) For Class I, Voluntary Admissions, no petition is necessary.

(3) For Class II, Voluntary Admissions Becoming Involuntary Commitment, a petition shall be filed in accordance with the provisions of Section 127 of this Act.

(4) For Class III, Institutional Transfer, no petition is necessary.

(5) For Class IV, involuntary and emergency commitments, an original petition shall be filed within twenty-four (24) hours of any emergency detention or involuntary hospitalization for examination of a child. Petitions may be filed at any time with the court, and set for initial court review pursuant to Section 135 of this Act.

SECTION 132. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

(1) If, after a verified petition in accordance with Section 130 of this Act has been filed in the court alleging that a child is mentally disordered and the court, after reviewing the petition, finds that there is probable cause to believe that the child is mentally disordered and dangerous, the court may issue a warrant for the child to be taken into custody.

(2) After the warrant has been executed the child shall immediately be taken to a physician or hospital for evaluation.

(3) After said evaluation, the child shall be brought before the court as soon as practicable, but a hearing must be held within seventy-two (72) hours of his original detention according to the procedures set forth in Section 135 of this Act.

SECTION 133. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

(1) Any child may be taken into custody without warrant when a peace officer who has reasonable grounds to believe that a child is mentally disordered and dangerous if not immediately restrained, may hold that child without a warrant. The peace officer shall, as soon as practicable, but within twenty-four (24) hours, cause the child to be examined by a physician and one other qualified mental health professional. The child shall be held in a hospital if possible. If no hospital is available and there is no alternative to detention of the child, the child may be placed in a juvenile detention facility or in a jail with sight and sound separation from adults. The person in charge of the facility shall be informed of the reason for the detention and his responsibility for the supervision of the child.

(2) If a petition is to be taken it must be filed within twenty-four (24) hours of the original confinement or the child shall be released to a parent, guardian, or person exercising custodial control or supervision of the child. If no parent, guardian, or person exercising custodial control or supervision of the child can be located to assume responsibility, a dependency action may be taken and an emergency custody order may be issued for the purpose of the appropriate placement of the child. If confinement is to be continued past seventy-two (72) hours, a hearing shall be held as required by Section 135 of this Act.

SECTION 134. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

Evaluations may be conducted prior to the initial court review of the petition as provided in this chapter when:

(1) A child has been detained on an emergency, warrantless basis under the Provisions of Section 133 of this Act. The court shall authorize any detention past twenty-four (24) hours after such emergency detention and may order detention for evaluation for up to seventy-two (72) hours from the time of the child's original detention. After seventy-two (72) hours a petition shall be filed with the court proceeding with an initial court review in accordance with Section 135 of this Act.

(2) A pre-hearing evaluation is conducted by a physician. Confinement of the child for such pre-hearing evaluation shall be for seventy-two (72) hours or less, after which time the court shall hold an initial court review in accordance with Section 135 of this Act. An attorney shall immediately be appointed for the child as provided in Section 130(2) of this Act and the results of the evaluation shall be made known to the attorney, orally or in writing at least twenty-four (24) hours before the initial court review.

(3) A child is transferred from any other chapter of this Act. The child may not be detained for such evaluation for more than seventy-two (72) hours without the court holding an initial court review of the transfer of jurisdiction in accordance with the provisions of Section 135 of this Act.

(4) The court shall use the least restrictive alternative method of placement for evaluation of the child and shall whenever possible consider release of the child to a responsible adult, guardian or person exercising custodial control or supervision. Confinement for evaluation shall be the choice of last resort.

SECTION 135. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

(1) In the hearing provided for under this section the court shall determine whether there is probable cause to believe that a child is:

(a) Mentally disordered, and that as a result of that mental disorder is dangerous;

(b) That the least restrictive alternative method of treatment requires hospitalization; and

(c) That the treatment desired is available as acknowledged by the treatment facility.

(2) At this initial court review hearing:

(a) The Commonwealth shall bear the burden of proof to establish probable cause for the allegations of the petition. Should the Commonwealth fail to establish same, the child shall be released to or retained in the custody of his parent, guardian, or other person exercising similar custodial control or supervision.

(b) As provided in Section 130(2) of this Act, the court shall advise the child of his right to counsel, and shall appoint counsel for the child immediately if the child does not already have an attorney. The office for public advocacy shall be appointed under the conditions of KRS Chapter 31. The child's counsel shall have access to all medical, psychiatric, psychological, counseling and social work records and any other records pertinent to the child's proposed admission to residential treatment for psychiatric care, including previous hospital records. The attorney shall provide the child with a thorough explanation of all relevant facts concerning inpatient treatment, including but not limited to: a description of living conditions within the facility, the treatments which may be provided, any significant restrictions which may be imposed, and the regulations with which the child will be expected to comply as an inpatient. The attorney shall advise the child that he will be released from inpatient treatment only by notice to the court from the facility staff, or by the court at a review.

(c) In addition to those rights described in Section 14 of this Act, the court shall:

(i) Explain to the child that he has a right to a full adjudicatory hearing within twenty-one (21) days after his initial confinement.

(ii) Explain that the child has a right to present testimony and evidence on his own behalf, including the testimony of a qualified mental health professional of his own choosing.

(iii) Advise the child that he has the right to a complete record of the proceedings without charge for appeal purposes, and the right to appeal without bond or filing fee, and the right of habeas corpus.

(d) Rules of Criminal Procedures, except where otherwise provided, shall apply to all matters under this section.

(3) If, after the completion of the initial court review, the court is of the opinion that there is probable cause to believe that the Commonwealth has established the conditions set forth in subsection (2) of this section, then the court shall set the case for a full adjudicatory hearing, pursuant to Section 135 of this Act. Such hearings shall be held within twenty-one (21) days of the initial confinement, unless an extension of time is requested by the child after consultation with counsel.

(4) The child shall be released to the custody of his parent, guardian, or other suitable adult whenever possible pending the adjudicatory hearing. Pending this hearing, where necessary, the child may be held in an evaluation or residential treatment facility or mental health group home, or other facility.

SECTION 136. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

(1) If the court determines that a formal proceeding is required, the case shall be set for a hearing within twenty-one (21) days of the initial confinement. Written notice, stating time and place of the adjudicatory hearing, shall be given to the child, his counsel, and the petitioner at least fourteen (14) days prior to the hearing.

(2) When the child and his parent, guardian, or person exercising similar custodial control or supervision of the child are brought before the court, the court shall ensure the following rights in addition to those set forth in Section 14 of this Act.

(a) The child shall have the right to present evidence, including, upon motion, the testimony of a qualified mental health professional of his own choosing. The child shall have a right to a complete record of the proceedings without charge for appeal purposes, and the right to appeal without bond or filing fees.

(b) Rules of Criminal Procedure, except where otherwise provided, shall apply to the adjudicatory hearing.

(c) The adjudication shall determine whether or not the child meets the criteria for commitment as alleged in the petition. The burden of proof shall be upon the commonwealth and a determination of mental disorder and dangerousness shall be made by clear and convincing evidence.

SECTION 137. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

(1) The court shall make an order committing a child to the department for residential treatment or hospitalization or to another residential treatment facility or hospital only if it is shown by clear and convincing evidence:

(a) That as a result of a mental disorder, the child needs and is likely to benefit from the treatment proposed; and

(b) That the proposed commitment is consistent with the treatment needs of the child and that it is the least restrictive available means to achieve those treatment needs; and

(c) That placement for such treatment is immediately available, as acknowledged by the treatment facility, or can be found within a maximum of five (5) working days. If placement cannot be made in five (5) working days the order shall be void and the child released. During this five (5) day period, the child shall be placed in accordance with Section 135(4) of this Act.

(2) If the court determines that the child does not meet the criteria for commitment, it may dismiss the case or it may order that proceedings be initiated under KRS Chapter 208B, C, D, or E.

SECTION 138. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

(1) Every child receiving residential treatment or hospitalization for a mental disorder under this chapter, shall have a court review thirty (30) days after his adjudicatory hearing. This review may be by written report to the court unless the child demands a personal appearance in court. The review shall be held in accordance with Section 137 of this Act.

(2) A further review hearing at which the child and his counsel shall be present shall be held sixty (60) days after the adjudicatory hearing. This hearing shall be held according to the provisions of Section 137, and the child and his counsel shall be present. The court shall determine whether to release the child or recommit the child for a period not to exceed one hundred and eighty (180) days.

(3) At the conclusion of this commitment period, a further review hearing according to the provisions of Section 137 of this Act. The child and his counsel shall be present for the review. The court may release the child or recommit him for an additional period not to exceed one hundred and eighty (180) days.

SECTION 139. A NEW SECTION OF KRS CHAPTER 208G IS CREATED TO READ AS FOLLOWS:

The department shall promulgate such regulations as are necessary to effectuate this Chapter within six (6) months of the effective date of this statute.

Section 140. KRS 199.011 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Secretary" means the secretary for human resources.

(2) "Department" means the department for human resources.

(3) ["Bureau" means the bureau for social services.

(4)] "Child" means any person who has not reached his eighteenth birthday.

[(5) "Dependent child" means any child who is under improper care, control, or guardianship that is not due to the negligence of the parent or guardian, provided that the child is not an abused or neglected child.

(6) "Abused or neglected child" means a child whose health or welfare is harmed or threatened with harm when his parent, guardian or other person who has the permanent or temporary care, custody or responsibility for the supervision of the child: inflicts or allows to be inflicted upon the child, physical or mental injury to the child by other than accidental means; creates or allows to be created a risk of physical or mental injury to the child by other than accidental means; commits or allows to be committed an act of sexual abuse upon the child; willfully abandons or exploits such child; does not provide the child with adequate care and supervision; food, clothing and shelter; education; or medical care necessary for the child's well-being; provided, however, that a parent or guardian legitimately practicing his religious beliefs who thereby does not provide specified medical treatment for a child, for that reason alone shall not be considered a negligent parent or guardian. This exception, however, shall not preclude a court from ordering that medical services be provided to the child, where his health requires it.]

(4)[(7)] "Child-caring facility" means any institution or group home other than a state facility, or one certified by an appropriate agency as operated primarily for educational or medical purposes providing residential care on a twenty-four hour basis to children, not related by blood, adoption or marriage to the person maintaining the facility.

(5)[(8)] "Child-placing agency" means any agency other than a state agency which supervises the placement of children in foster family homes or child-caring facilities, or which places children for adoption.

(6)[(9)] "Child welfare worker" means an employe of the department designated as such by the secretary for human resources or social worker employed by a county or city who has been approved by the department to handle, under its supervision, services to children.

[(10) "Boarding home or foster parent" as used in subsection (5) of KRS 199.607 means persons who board children held in custody by the department.

(11) "Foster family home" means a private home in which children are placed for foster family care under supervision of the department or of a licensed child-placing agency.

(12) "Group home" means a homelike facility for not more than eight (8) foster children, not adjacent to or part of an institutional campus, operated by a sponsoring agency for children who may participate in community activities and use community resources.]

(7)[(13)] "Institution" means a child-caring facility providing care or maintenance for nine (9) or more children.

[(14) "Family" rehabilitation home" means a child-caring facility for appropriate families and comprising not more than twelve (12) children and two (2) staff persons.]

Section 141. KRS 199.380 is amended to read as follows:

No person or persons shall board or lodge children under the age of sixteen (16) years, or in any manner conduct a boarding home or boarding house for children under the age of sixteen (16) years, unless authorized and empowered so to do, in writing, by the health officer of the county in which such boarding home or boarding house is conducted. Before authorizing or empowering any person or persons to board or lodge children under the age of sixteen (16) years, or in any manner to conduct a boarding house or boarding home for such children, the health officer to whom an application is made for such authority or power shall make or cause to be made, an investigation to determine whether such person or persons have made suitable, sanitary and satisfactory arrangements for the health of such children. When such authority and power have been granted by a health officer the same may be revoked at any time, in the discretion of said health officer, when he shall determine that arrangements for the health of the children boarded or lodged in such boarding home or boarding house are unsuitable and unsatisfactory, and in no event shall such authority and power be effective for a longer period than one (1) year following the granting of same. Whenever the health officer of any county shall be notified by the juvenile court of such county, or notified by the probation officer thereof, that the person or persons operating a boarding home or boarding house for children under the age of sixteen (16) years are not making suitable and satisfactory arrangements for the health of the children being boarded or lodged therein, he shall make or cause to be made an investigation to determine whether or not the power and authority of such person or persons to operate such home shall be revoked. Any person who boards or lodges a child under the age of sixteen (16) years without having the permit provided for herein shall be guilty of an offense and punished as provided in subsection *(1)* [(3)] of KRS 199.990.

Section 142. KRS 199.390 is amended to read as follows:

Every person who boards or lodges children under the age of sixteen (16) years or conducts a boarding house or boarding home for such children, shall keep a book, securely bound, in which shall be entered the name, sex and race of every child boarded or lodged in the house or home conducted by him or her, together with the names and post-office addresses of the parents of such child, the date such child was placed in such house or home, the date of such child's birth and the amount charged each week or month as compensation for boarding or lodging such child. Such facts shall be entered in said book at the time said child is placed in said house or home and shall be signed by the person or persons placing said child therein before leaving the premises upon which said house or home is conducted. Such book shall always be available for inspection by the health officer of the county in which said house or home is situated, or the judge of the juvenile court of said county, or any probation officer of said court. Failure to comply with the provisions of this section shall constitute an offense, punishable as provided in subsection *(1)* [(3)] of KRS 199.990.

Section 143. KRS 199.400 is amended to read as follows:

Whenever the county judge/executive of any county, in his discretion, deems it necessary that a person accepting a nonresident child for boarding or lodging in this commonwealth shall satisfy him that such a nonresident child shall never become a charge upon the commonwealth or any subdivision thereof, he may require that the proper public authorities of the state or county in which the nonresident child resides, furnish security, to his satisfaction, that they will assume the care and custody of such child in the event such child becomes a charge upon this commonwealth or any subdivision thereof. Whenever any county judge/executive shall enter an order that such security shall be furnished for all nonresident children boarded or lodged in his county, no child shall thereafter be accepted for boarding or lodging in said county until such security is furnished. Any person who accepts a nonresident child under the age of sixteen (16) years for boarding or lodging, in any county, without the furnishing of the security provided for herein, after the county judge/executive of the county has provided by order for the furnishing of such security, shall be guilty of an offense and punished as provided in subsection *(1)* [(3)] of KRS 199.990.

Section 144. KRS 199.473 is amended to read as follows:

(1) All persons other than a licensed child-placing agency or institution, the department or persons excepted by KRS 199.470(4) or (5) who wish to place or receive a child shall make written application to the secretary for permission to place or receive a child. Upon receipt of an application to place or receive a child the secretary shall cause an investigation to be made of the home and the background of the person or persons wishing to receive the child. The purpose of the investigation shall be to determine the suitability of the applicants to receive a child, taking into account at all times the best interest of the child for whom application to receive has been made. The child welfare worker making the investigation shall make a finding in writing recommending either that the application be granted or that the application be denied. In either case reasons for the child welfare worker's recommendation shall be given in writing. The recommendation of the child welfare worker shall then be reviewed by the secretary. Based on the report and recommendation of the child welfare worker making the investigation, the secretary shall grant or refuse permission for the applicant to place or receive a child as early as practicable, but, in any case, the decision shall be made within sixty days after the receipt of the application. In reaching his decision the secretary shall be guided by the

ability of the persons wishing to receive the child to give the child a suitable home, and shall at all times consider the best interest of the child from a financial, medical, psychological and psychiatric standpoint. If the application is refused the secretary shall in general terms furnish in writing the reasons for his refusal.

(2) In any case where the department refuses to approve the placement of a child for adoption when requested by the parent or parents of the child, or refuses the request of any person or persons that a child be placed with him or them for adoption, the decision of the secretary in so refusing shall be final unless within ten days after notice of refusal, the natural or proposed adopting parent or parents shall appeal to the circuit court of the county in which the adoption is proposed, provided however that no placement shall be disapproved on the basis of the religious, ethnic, racial or inter-faith background of the adoptive applicant, if such placement is made with the consent of the parent. The department shall be made a party defendant to the appeal. In the hearing of an appeal the court shall review the findings of the secretary and shall determine if the secretary has acted arbitrarily, unlawfully, or in such a manner as to constitute an abuse of discretion.

(3) No person, association or organization, other than the department or a licensed child-placing institution or agency shall place a child or act as intermediary in the placement of a child for adoption or otherwise, except in the home of a stepparent, grandparent, sister, brother, aunt or uncle, or upon written approval of the secretary. Nothing in this subsection shall be construed to limit the department for human resources in carrying out its aid to dependent children program in accordance with KRS Chapter 205.

(4) In the event a child who does not fall within the exception provided for in KRS 199.470(4) or (5) is placed or received in a home without the permission of the secretary for human resources, or in the event permission to receive a child has been denied, a representative of the department may petition the juvenile court of the county in which the child is found setting out the facts concerning the child. When such petition has been filed, the juvenile court shall take jurisdiction of the child and shall provide for it as it would provide for a dependent, neglected or abused child under *Section 4(1)(d) of this Act* [KRS 208.020] except that the child may not be placed in the home of the applicants to receive him unless permission to do so is granted by the secretary or such action is ordered by a circuit court, the Kentucky Court of Appeals or Supreme Court of Kentucky.

(5) Nothing in this statute shall be construed to limit the authority of the department or a licensed child-placing institution or agency to determine the proper disposition of a child committed to it by the juvenile court or the circuit court, prior to the filing of an application to place or receive.

Section 145. KRS 199.480 is amended to read as follows:

(1) The following persons shall be made parties defendant in an action for leave to adopt a child:

(a) The child to be adopted;

(b) The natural living parents of a child under eighteen (18), if the child is legitimate, and its mother and if paternity is established in legal action or if an affidavit is filed stating that the affiant is father of the child, its father, if the child is born out of wedlock, provided that no natural parent need be made a party defendant in the event the parental rights of such parent have been terminated under *Section 61 of this Act* [KRS 199.600 to 199.630], or under a comparable statute of another jurisdiction;

(c) The child's guardian, if it has one;

(d) If the care, custody and control of the child has been transferred to the department, any other individual, institution or agency, then the department, such other individual, institution or agency shall be named a party defendant.

(2) Each party defendant shall be brought before the court in the same manner as provided in other civil cases except that if the child to be adopted is under fourteen (14) years of age and the department, individual, institution or agency has custody of such child, the service of process upon such child shall be had by serving a copy of the summons in such action upon the department, individual, institution or agency, any provision of CR 4.04(3) to the contrary notwithstanding.

(3) If the child's natural living parents, if the child is legitimate, or if the child is born out of wedlock, its mother and if paternity is established in legal action or if an affidavit is filed stating that the affiant is father of the child, its father, are parties defendant, no guardian ad litem need be appointed to represent the child to be adopted.

Section 146. KRS 199.500 is amended to read as follows:

(1) No adoption shall be granted without the sworn consent of the living parent or parents of a legitimate child or the mother of the child born out of wedlock, or the father of the child born out of wedlock if paternity is established in a legal action or if an affidavit is filed stating that the affiant is the father of the child, except that such consent of the living parent or parents shall not be required if:

(a) Such parent or parents have been adjudged incompetent and such judgment shall have been in effect for not less than one (1) year prior to the filing of the petition for adoption;

(b) The parental rights of such parents have been terminated under KRS *Chapter 208C* [199.600 to 199.630]; or

(c) The living parents are divorced and the parental rights of one (1) parent have been terminated under KRS 199.600 and consent has been given by the parent having custody and control of the child.

(2) A minor parent who is a party defendant may consent to an adoption but a guardian ad litem for such parent shall be appointed.

(3) In the case of a child twelve (12) years of age or older, the consent of the child shall be given in court, provided that the court in its discretion may waive this requirement.

(4) Notwithstanding the provisions of subsection (1) of this section, an adoption may be granted without the consent of the natural living parents of a child if it is pleaded and proved as a part of the adoption proceedings that any of the provisions of subsections (1) or (2) of KRS 199.600 exist with respect to such child.

(5) In no case shall an adoption be granted or a consent for adoption be held valid if such consent for adoption is given prior to the fifth day after the birth of the child.

Section 147. KRS 199.990 is amended to read as follows:

(1) [Any person who violates subsection (1) of KRS 199.350 shall be imprisoned in the county jail not less than ten (10) nor more than sixty (60) days, or fined not less than twenty-five dollars ($25.00) nor more than two hundred dollars ($200), or both.

(2) Any person who upon thirty (30) days' notice fails to remove a child from the state when required to do so under a bond as provided in paragraphs (c) or (d) of subsection (2) of KRS 199.350 shall forfeit one thousand dollars ($1,000), to be recovered upon the bond by a suit in the name of the county in which the bond is filed.

(3)] Any person violating any of the provisions of KRS 199.380 to 199.400 shall be guilty of an offense, and upon conviction thereof, shall be fined not more than five hundred dollars ($500) or imprisoned for not more than twelve (12) months, or be both fined and imprisoned, in the discretion of the court.

(2)[(4)] Any person who violates any of the provisions of KRS 199.430, 199.470, 199.473, 199.570 and 199.590, or 199.640 to 199.670, or any rule or regulation under such sections the violation of which is made unlawful shall be fined not less than five hundred dollars ($500) nor more than two thousand dollars ($2,000) or imprisoned for not more than six (6) months, or both. Each day such violation continues shall constitute a separate offense.

(3)[(5)] Any person who willfully violates any other of the provisions of KRS 199.420 to *199.440, 199.470 to 199.590, 199.640 to* 199.670 or any rule or regulation thereunder, the violation of which is made unlawful under the terms of those sections, and for which no other penalty is prescribed in those sections or in *Section 32(4) of this Act* [subsection (1) of this section], or in any other applicable statute, shall be fined not less than twenty dollars ($20.00) nor more than two hundred dollars ($200) or imprisoned for not more than thirty (30) days, or both.

(4)[(6)] Any person who violates any of the provisions of KRS 199.896 shall be fined not less than twenty dollars ($20.00) nor more than two hundred dollars ($200) or imprisoned for not more than thirty (30) days, or both.

[(7) Anyone knowingly and willfully violating the provisions of subsection (2) of KRS 199.335 shall be guilty of a Class B misdemeanor as designated in KRS 532.090.

(8) Any person who willfully permits, assists, or encourages the unauthorized release of any information made pursuant to KRS 199.335, or otherwise violates the provisions of subsection (9) of KRS 199.335 shall be guilty of a Class B misdemeanor as designated in KRS 532.090.

(9) Any person who willfully violates the provisions of KRS 199.463 shall be imprisoned in the county jail for a period not to exceed six (6) months or fined not more than five hundred dollars ($500), or both.]

Section 148. KRS 201.100 is amended to read as follows:

(1) When a child comes under any of the provisions of KRS 201.090, the board may file a petition in the juvenile session of the district court setting forth the facts in regard to the child. The court shall thereupon issue a writ for the custody of the child, and the writ shall be served upon the parents or the person having actual custody or control of the child, or if the child is under no actual parental custody or control, then upon the child itself. If the writ is served upon the child, the board shall place the child in the temporary custody of the home, or of some private person or public agency until the final order of the court. Notice of the time of the hearing shall be served on the parents or the person having actual custody or control of the child, and such person shall have the right to call witnesses and be heard as to his rights, fitness and ability to care for and educate the child.

(2) If the facts set forth in the petition are found to be true and any of the conditions set forth in KRS 201.090 exist, the court shall order that the child be committed to the custody of the board. If the parents are able to maintain and support the child, the court shall require them to pay board, and may enforce such payment by attachment or other proceedings as in cases of contempt.

(3) An appeal may be taken from any orders, judgments or commitments made under the provisions of this section according to the procedures established in *Section 17 of this Act* [KRS 208.380] for appeals from the juvenile session of district court.

Section 149. KRS 201.110 is amended to read as follows:

(1) All children received into the home's care by commitment of any court or officer having jurisdiction shall remain under the home's care for the period of their commitment, not to exceed their minority, unless sooner paroled or discharged.

(2) The board may discharge any child received under KRS 201.080(1) at any time it deems it for the best interest of the child or the other children under the home's care, or for the best interests of the home. The discharge may be absolute, conditional, temporary or on parole, in the discretion of the board. Before discharge notice must be given to the committing court and to such other parties as required in KRS Chapter 208*B, D or G*,.

(3) The board shall discharge any child accepted for care under KRS 201.080(2) on written request of the parent, or other party as specified in said section, making the application for care, within five (5) calendar days, unless during said period the board shall have filed a petition for commitment under KRS 201.100 or KRS chapter 208*B, D or G* and such commitment, or a temporary order of custody under *Section 41 of this Act, Section 76 of this Act, or Section 137 of this Act* [KRS 208.020(6)] shall have been ordered by the court.

(4) The board may discharge any child accepted for care under KRS 201.080(2) at any time it deems it for the best interest of the child or the other children under the home's care or for the best interests of the home. Before discharge notice must be given to the committing court or board.

SECTION 150. A NEW SECTION OF KRS CHAPTER 202A IS CREATED TO READ AS FOLLOWS:

KRS Chapter 202A shall not apply to persons under eighteen (18) years of age unless specifically authorized by KRS Chapters 208A through G.

Section 151. KRS 335.170 is amended to read as follows:

No licensee holding a certificate of qualification for independent practice of clinical social work may disclose any information he may have acquired from persons consulting him in his psychotherapeutic capacity except:

(1) With the written consent of the person, or, in the case of death or disability, of his authorized representative, or the beneficiary of an insurance policy on his life, health, or physical condition;

(2) A communication that reveals the contemplation of a crime or a harmful act;

(3) When the communication indicates that the person was the victim or subject of a crime, the licensee shall be required to testify fully when properly subpoenaed by a court of competent jurisdiction in any examination, trial, or other proceeding in which the commission of such a crime is the subject of inquiry;

(4) Communications made in the course of a social work examination ordered by a court of competent jurisdiction when the client has been informed before the examination that any communications made during the examination would not be privileged;

(5) When the licensee is a defendant in either a civil or criminal action;

(6) When the licensee is an employe of the commonwealth of Kentucky and is performing activities solely within the confines or under the jurisdiction of the department for human resources or its successor organization; and

(7) If the licensee has reasonable grounds to suspect that a child has been abused or neglected, he shall report such information in compliance with provisions of *Section 37 of this Act* [KRS 199.335].

Section 152. The following sections of the Kentucky Revised Statutes are repealed:

199.335 Specified persons to report child abuse or neglect — Report to law enforcement agency — Search warrant — Protective custody — Immunity from liability.

199.341 Interstate compact on placement of children.

199.343 Definitions of terms in interstate compact.

199.345 Financial responsibility for child placed and agreements under interstate compact.

199.347 Court may place child in foreign state under compact.

199.350 Importation of dependent children.

199.370 Exceptions to regulations on importation — Waiver.

199.375 Voluntary commitment of children to department — Support — Care — Release.

199.460 Duties of department concerning child welfare.

199.463 Mandatory examinations for foster children.

199.465 Review of children placed in foster homes.

199.601 Voluntary termination of parental rights — Petition — Hearing.

199.603 Involuntary termination of parental rights of parent of dependent, neglected or abused child.

199.605 Termination of parental rights on birth of illegitimate children.

199.607 Termination of parental rights of father of child born out of wedlock.

199.609 Proceedings to terminate parental rights to be in circuit court — Contents of petition for involuntary termination.

199.611 Order of termination.

199.613. Parents not to be named in termination order — All rights terminated except right to inherit.

199.615 Records of proceeding to terminate parental rights confidential.
199.617 Appeal from order for involuntary termination of parental rights.
208.010 Definitions for KRS 208.010 to 208.540 and 208.990.
208.020 Jurisdiction of juvenile session of district court — Jury trial.
208.030 Juvenile record — Juvenile docket.
208.060 Conduct of hearings.
208.070 Preliminary inquiry — Style and contents of petition.
208.080 Issuance of summons and notice — Temporary custody of child.
208.083 Mandatory examinations for children in temporary placement.
208.090 Method of serving summons and notice.
208.100 Enforcement of summons — Warrant.
208.110 Law of arrest applicable to children.
208.120 Child not to be detained in police station, lockup, jail or prison — Exception.
208.130 Detention facilities — Agreement for use of state reception-diagnostic centers — Department operation of detention facilities.
208.140 Investigation before disposition of case.
208.150 Examination of child found to be mentally ill or defective.
208.160 Physical examination and disposition of child not in normal health.
208.170 Proceedings against children suspected of felony.
208.180 Disposition of child convicted of felony or misdemeanor.
208.190 Decree in proceedings concerning children who are charged with crime.
208.192 Detention hearing — Right to counsel.
208.194 Adjudication of felony offense — Institutionalization — Shock probation.
208.196 Physical evidence — How obtained and utilized — Disposition.
208.198 Notification of disposition and placement of child.
208.200 Probation of commitment of child convicted of public offense.
208.205 Modification or termination of order of commitment, protective supervision, or probation.
208.220 Department for human resources may assist juvenile courts in placing children — County contributions.
208.230 Court may coerce cooperation of parents or other persons in support of order or decree.
208.235 Bond of parent or guardian of delinquent child, required when — Conditions — Forfeiture.
208.240 Restitution or reparation by child committing public offense.
208.250 Religious faith of parents to be considered in placing child in home or committing to an institution or agency.
208.260 Girls to be accompanied by woman attendant or relative — Reports of violations.
208.270 Commitment order and information to be furnished department.
208.275 Unconditional release from custody of department — Expungement of record — Penalty.
208.280 Parents or estate to contribute to support and education of child when able.
208.300 Reports by persons in charge of homes or institutions to which a child is probated — Power of department to make visitation and inspections.
208.310 Advisory boards of juvenile courts.
208.320 Chief probation officers and assistants in county having city of first or second class or urban-county government — Volunteer probation officers.
208.330 Duties of probation officers.
208.340 Information obtained by probation officers confidential — Exceptions.
208.350 Use of evidence in subsequent actions prohibited.
208.360 Tax levies and appropriations by cities and counties for purposes of KRS 208.010 to 208.540.
208.370 Fees allowed in juvenile court proceedings.
208.380 Appeals.
208.400 Duties of department concerning existing institutions and development of additional facilities.
208.403 Rehabilitation center for delinquent girls constructed by women's clubs, powers of department.
208.410 Program of care, treatment and rehabilitation of children committed to department.
208.420 Regional reception-diagnostic centers — Use.
208.430 Powers of department during period of commitment.
208.440 Receipt and disbursement of funds for board, lodging and care of children on probation — Department may accept gifts, devises or bequests.
208.450 Medical and surgical care for children committed to department.
208.460 Disposition of mentally ill or defective child committed to department.

208.470 Disposition of child incapable of benefiting from treatment by department facilities.
208.510 Violation of supervised placement conditions.
208.520 Design and operation of institutional facilities — Vocational education — Employment of children — Use or disposal of farm or other products.
208.530 Education of children in institutions.
208.540 Mileage and expense allowance to officer conveying child to institution or facility.
208.600 Text of compact.
208.610 Juvenile compact administrator.
208.620 Supplementary agreements.
208.630 Financial arrangements.
208.640 Responsibilities of state departments, agencies and officers.
208.650 Additional procedures not precluded.
208.660 Execution of additional article.
208.670 Execution of amendment.
208.990 Penalties.

Section 153. This Act shall become effective on July 1, 1982.

SB 326, AN ACT relating to sexual offenders.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 532 IS CREATED TO READ AS FOLLOWS:

The bureau of corrections shall operate a rehabilitation program for sexual offenders, hereinafter referred to as the "program."

SECTION 2. A NEW SECTION OF KRS 532 IS CREATED TO READ AS FOLLOWS:

(1) A "sexual offender" as used in this chapter is an individual who has been adjudicated guilty of any felony described in KRS Chapter 510, any other felony committed in conjunction with a misdemeanor described in KRS Chapter 510, or any felony the commission of which is primarily related to committing or attempting to commit one of the offenses described in KRS Chapter 510.

(2) A sexual offender becomes an "eligible sexual offender" when the sentencing court determines that the offender:

(a) Has not used deadly physical force as defined in KRS 503.010 in the commission of the felony for which he has been convicted; and

(b) Has demonstrated evidence of a mental, emotional, or behavioral disorder, but not active psychosis or mental retardation; and

(c) Is likely to commit additional offenses as described in KRS Chapter 510 if allowed to remain at liberty; and

(d) Evidences a desire to participate in the program described in this Act by waiving his right to sentencing without unreasonable delay.

(3) "Bureau" is the bureau of corrections.

SECTION 3. A NEW SECTION OF KRS 532 IS CREATED TO READ AS FOLLOWS:

(1) The sentencing court may defer sentencing and commit an eligible sexual offender, hereinafter referred to as the offender, to the bureau of corrections' sexual offender program for a period of time up to ninety (90) days in order to determine if an individual can benefit from the program.

(2) At any time prior to or at the expiration of this ninety (90) day period, the staff of the program shall prepare a report to the sentencing court in which the staff advises the sentencing court whether the eligible sexual offender is responding to programs and their recommendations as to the eligible sexual offenders continued participation in the program.

(3) If the staff recommends that the offender be denied participation in the program and be sentenced to the bureau, the offender may request a hearing to contest the staff recommendations. The report to the sentencing court shall be admissible in evidence at this hearing and the offender shall be entitled to know the contents of the report. Upon the motion of the offender, the court may appoint an expert to examine the offender and submit a report to the court.

(4) If the offender is accepted into the program, he may continue in the program as long as he agrees to participate and the staff believes that the offender is responding and continue to meet the criteria set forth in Section 2(2).

(5) When the staff determines that the offender is no longer benefiting from the program, a report shall be made so advising the sentencing court.

SECTION 4. A NEW SECTION OF KRS CHAPTER 532 IS CREATED TO READ AS FOLLOWS:

(1) The bureau of corrections shall have the sole authority and responsibility for establishing the design of the rehabilitation program created in this Act.

(2) The bureau of corrections shall have the authority to transfer sexual offenders sentenced to their custody to the program and shall adopt rules and regulations concerning the transfer of sexual offenders.

(3) All sexual offenders participating in the program shall be housed separately from all incarcerated inmates.

SECTION 5. A NEW SECTION OF KRS CHAPTER 532 IS CREATED TO READ AS FOLLOWS:

(1) The bureau shall cause the offender to be examined a minimum of once annually to determine the progress of treatment, and it shall file a written report of these examinations in the sentencing court not less than once a year.

(2) The bureau shall not permit an offender to participate in any unsupervised community based component of the program without the prior approval of the sentencing court.

(3) At any time after commitment, the bureau may file a written report in the sentencing court stating facts which show that the offender has improved to a degree that he no longer meets the criteria established in Section 2(2) or that he is no longer benefiting from participation in the program. The written report shall include information about the treatment received by such offender, a diagnosis of the offender's current condition, and recommendations made by the staff. Upon receipt of the written report, the court shall set a hearing date within sixty (60) days and shall order the offender returned to the jurisdiction of the court.

(4) The hearing shall follow the procedures as set forth in Section 3(3) of this Act. If the court determines that the offender continues to meet the criteria established in Section 2(2) of this Act, it shall order his return to the bureau to be held under the previous commitment. However, if the bureau returns an offender to the court because the bureau has determined that he is no longer benefiting from participation in the program, or if the court determines that the offender has improved to the extent that he no longer meets the criteria of an offender established in Section 2(2) of this Act, the court shall order him discharged from the custody of the bureau.

SECTION 6. A NEW SECTION OF KRS CHAPTER 532 IS CREATED TO READ AS FOLLOWS:

(1) Upon the offender's discharge from the program, criminal proceedings shall recommence. If the court finds that the offender has been successfully rehabilitated by the treatment program, the court may sentence the offender, or may suspend the sentence and may place the offender on probation. If the court finds that the offender continues to present a present danger to others, the court may commit the offender to the custody of the bureau as provided by law.

(2) A judge who suspends the sentence or execution of judgment and places an offender on probation:

(a) May at any time, for cause, revoke the order placing such offender on probation and impose such sentence of commitment as might have been imposed at the trial of conviction.

(b) Shall require that the offender be provided regular treatment in a rehabilitation program approved or operated by the bureau. The agency or person treating the offender shall make written reports at least every six (6) months to the court and to the probation officer supervising the offender. If the agency or person providing treatment exhausts treatment for the offender, or if it is determined that the offender will make no progress in the treatment program, the court shall terminate mandatory probation visits by the offender to that treatment program. The court may require the offender to be provided further treatment in another suitable program approved by the bureau. The costs, fees, and charges for treatment of the offender, while on probation, shall be the responsibility of the offender except that if the offender is indigent, these costs shall be borne by the county. The costs of treatment and care of an indigent offender placed on probation and charged against the county may be recovered by the county from the estate or property, if any, of the offender.

(c) The bureau may establish a program to train persons to provide post-discharge treatment for offenders.

SECTION 7. A NEW SECTION OF KRS CHAPTER 532 IS CREATED TO READ AS FOLLOWS:

The time spent in custody of the bureau pursuant to the provisions of this Act, either for evaluation or treatment, shall be considered for all purposes as time served in prison, if the offender is subsequently sentenced to the bureau.

SECTION 8. A NEW SECTION OF KRS CHAPTER 532 IS CREATED TO READ AS FOLLOWS:

The bureau is granted the power to enter into agreements with public or private agencies in order to implement and operate the program created by this Act.

SECTION 9. A NEW SECTION OF KRS CHAPTER 532 IS CREATED TO READ AS FOLLOWS:

Any employe of the bureau who is assigned to work in this program or a program operated by the bureau exclusively for sexual offenders in the institutions operated by the bureau shall be immune from disclosing in any civil or criminal proceeding, without the consent of the offender, any communication, including records, from the offender or between a member of the offender's family and the employe, except that the employe shall disclose any communication relevant to any hearing on the offender's continued participation in the program. The offender shall be informed in writing of the limits of the immunity from disclosure created above.

Section 10. KRS 439.340 is amended to read as follows:

(1) The board may release on parole such persons confined in any adult state penal or correctional institution of Kentucky as are eligible for parole. All paroles shall issue upon order of the board duly adopted. As soon as practicable after his admission and at such intervals thereafter as it may determine, the bureau of corrections shall obtain all pertinent information regarding each prisoner, except those not eligible for parole. Such information shall include his criminal record, his conduct, employment and attitude in prison, and the reports of such physical and mental examinations as have been made. The bureau of corrections shall furnish the circumstances of his offense and his previous social history to the institution and the board. The bureau of corrections shall prepare a report on such information as it obtains. It shall be the duty of the bureau of corrections to supplement this report with such material as the board may request and submit such report to the board.

(2) Before granting the parole of any prisoner, the board shall consider the pertinent information regarding the prisoner and shall have him appear before it, or one or more members for interview and hearing, except that the board in its discretion may request the parole board of another state confining prisoners pursuant to KRS 196.610 to interview eligible prisoners and make a parole recommendation to the board. A parole shall be ordered only for the best interest of society and not as an award of clemency, and it shall not be considered a reduction of sentence or pardon. A prisoner shall be placed on parole only when arrangements have been made for his proper employment or for his maintenance and care, and when the board believes he is able and willing to fulfill the obligations of a law abiding citizen.

(3) The board shall adopt rules or regulations with respect to the eligibility of prisoners for parole, the conduct of parole and parole revocation hearings, or conditions to be imposed upon parolees. Regulations governing the eligibility of prisoners for parole shall be in accordance with professionally accepted ideas of correction and reform and may utilize in part objective, performance-based criteria; however, nothing herein contained shall preclude the board from utilizing its present regulations in conjunction with such other factors involved that would relate to the inmate's needs and the safety of the public.

(4) *Any prisoner who is confined in the sexual offender program of the bureau of corrections and who is granted parole shall be required to participate in regular treatment in a mental health program approved or operated by the bureau after his release.*

(5) Whenever the parole officer or the staff of the mental health program determines that the offender is no longer benefiting from the mental health program, a report shall be made so advising the parole board who shall make such decisions as they deem proper.

(6) Whenever an order for parole is issued it shall recite the conditions thereof.

The Committee Amendment No. 1 to **SB 326** is as follows:

Amend printed copy of **SB 326,** page 6, line 19, by deleting the word "*county*" and substituting in lieu thereof "*state*"

SB 362, AN ACT relating to service credit and vesting in state retirement systems.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 21.375 is amended to read as follows:

[If at the time] A person *who does not have eight (8) years of service in the judicial retirement system but who is a member of that system, or is a former member who has service credit therein in accordance with subsection (2) or (3) of KRS 21.460, shall become vested in the judicial retirement system for benefits attributable to the amount of his actual service credit therein if such service credit, when combined with service credit which he has in, or for which he is receiving benefits from, the Kentucky employes retirement system, county employes retirement system, state police retirement system, or teachers retirement system, is equal to eight (8) years of service* [becomes a member of the judicial retirement system he has service credit in the Kentucky employes retirement system, county employes retirement system, state police retirement system, or teachers retirement system, the period of service for which he earned that credit shall be counted toward the eight (8) years of service required for vesting in the judicial retirement system, but shall not be counted as service for the purpose of computation of benefits].

Section 2. KRS 21.460 is amended to read as follows:

(1) If any member of the system ceases, other than by death or by disability retirement under KRS 21.410, to hold an office qualifying him for membership in the system established by KRS 21.350 to 21.480, without having *met the requirements for vesting* [completed eight (8) years of service], he shall be refunded on demand the amount of his accumulated contributions *and any service credit he had in the system shall be nullified* [including, in the case of a circuit judge, contributions made by him under the former KRS 23.350 before he became a member of the system established by KRS 21.350 to 21.510].

(2) The member may elect to leave his contributions in the system, in which event the service credit he had in the system shall be considered to be service credit for vesting purposes as provided in KRS 21.375 and KRS 61.680(6), and, in the event he again becomes a member of the judicial retirement system, shall be counted toward his total service credit in that system.

(3) If a person who has been refunded his contributions in accordance with subsection (1) of this section subsequently becomes a member of the Kentucky employes retirement system, county employes retirement system, state police retirement system, or teachers retirement system, he may while holding such membership repurchase the service credit he previously had in the judicial retirement system by repaying to that system the amount that was refunded to him with interest at six percent (6%) per annum, in which event such service credit shall have operative effect to the same limited extent as provided in subsection (2) of this section.

(4) If *a person who has been refunded his contributions in accordance with subsection (1) of this section* thereafter [he] becomes again the holder of an office qualifying him for membership in the *judicial retirement* system, he shall not be entitled to credit for his prior period of service unless *he has previously repaid his refunded contributions in accordance with subsection (3) of this section or unless* at the time of his election to again participate in the system he repays to the system the amount that was refunded to him *with interest at six percent (6%) per annum.*

Section 3. KRS 61.680 is amended to read as follows:

(1) Every employe shall be deemed to consent and agree to any deduction from his compensation required by KRS 16.505 to 16.652 and 61.510 to 61.692 and 78.510 to 78.852 and to all other provisions thereof.

(2) (a) Notwithstanding any other provisions of KRS 16.505 to 16.652 and 61.510 to 61.692 and 78.510 to 78.852 and 161.220 to 161.715, upon death, disability, or service retirement a member's accounts under the state police retirement system, Kentucky employes retirement system, county employes retirement system and teachers' retirement system shall be consolidated for the purpose of determining eligibility and amount of benefits. The computation of benefits shall be based on the applicable formula in each system and service credit in each system, but the final compensation shall be determined as if all service were in one system. If the member has prior service in more than one system, he must obtain at least twelve (12) months' current service in each system in which he has prior service in order to validate such prior service in each system for purposes of determining consolidated benefits under this section. Upon the determination of benefits each system shall pay the applicable percentage of total benefits.

(b) The provisions of subsection (2)(a) of this section shall be waived if the member notifies the board of his desire to maintain separate retirement accounts in the state police retirement system, Kentucky employes retirement system or county employes retirement system, or if he is a member of the state police retirement system or is working in a hazardous position under the Kentucky employes retirement system or county employes retirement system and as a result of an act in line of duty becomes disabled or deceased.

(c) If the member has not contributed at least one year in a system in which he has prior service his current service in such system shall be valid for purposes of determining eligibility and in computation of benefits on a consolidated basis.

(3) A member with service credit in the Kentucky employes retirement system, state police retirement system or the county employes retirement system who enters the service of a department, board, agency or instrumentality of the Commonwealth whereby such person would be eligible for membership in the judicial retirement system may elect to retain membership in the system in which he is a member, either the Kentucky employes retirement system, state police retirement system or the county employes retirement system. When such an election is made, the agency employing the member shall withhold employe contributions, make employer contributions and remit these contributions to the system in which the member retained his membership.

(4) (a) Prior to July 1, 1976 a person entering the service of an employer participating in the Kentucky employes retirement system or the county employes retirement system with service credit in the teachers' retirement system and who desires to retain membership in the teachers' retirement system, and who is permitted by that system to continue is hereby exempt from participating in the Kentucky employes retirement system or the county employes retirement system.

(b) Any person who has elected to retain membership in the teachers' retirement system as provided in subsection (a) of this section may cancel his election and participate in the system under which his position would normally participate, provided he elects to cancel his option prior to January 1, 1977.

(c) Any member of the general assembly who upon election is a contributing member of the teachers' retirement system may elect to retain membership in the teachers' retirement system during his term of office rather than participate in the Kentucky employes retirement system. Such election to retain membership in the teachers' retirement system must be filed in writing within 90 days after his term of office begins or he will participate in the Kentucky employes retirement system during his term of office. No contributions may be made to the teachers' retirement system for the same period of service under the Kentucky employes retirement system as a member of the general assembly.

(5) Effective July 1, 1974 any member of the Kentucky employes retirement system or county employes retirement system who is working in a position covered by one of these retirement systems and his employe contributions, service credit and employer contributions made on his behalf are being transferred to the other retirement system shall contribute to the system in which his employer participates and no further contributions or service credit shall be transferred to the system in which he elected to retain membership as subsection (2) of this section eliminates the necessity of such transfers.

(6) Notwithstanding the provisions of subsection (3) of this section [and KRS 21.375], a person *who does not have the amount of service required for vesting* [entering membership of the judicial retirement system with service credit] in the state police retirement system, Kentucky employes retirement system, county employes retirement system or teachers' retirement system, *but who is a member of one of such systems or is a former member of one or more of such systems with valid service credit therein,* will become vested for early and normal retirement benefits in each *of such systems* [system] in which he has service credit when his combined service credit in all *such* systems, *plus any service credit he has in the judicial retirement system,* is equal to that required for vesting in each respective system. *The retirement benefits from each system shall be those attributable to the amount of actual service and "final compensation" or "final average salary" in each system.*

The Committee on Judiciary reported **SB 77** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Consent Calendar.

SB 77, AN ACT relating to the release of misdemeanants from jail.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:.

Section 1. KRS 439.179 is amended to read as follows:

(1) Any person sentenced to a jail for a misdemeanor, nonpayment of a fine or forfeiture, or contempt of court, may be granted the privilege of leaving the jail during necessary and reasonable hours for any of the following purposes:

(a) Seeking employment; or

(b) Working at his employment; or

(c) Conducting his own business or other self-employment occupation including, in the case of a woman, housekeeping and attending the needs of her family; or

(d) Attendance at an educational institution; or

(e) Medical treatment*; or*

(f) For any other reason which the court deems appropriate.

(2) Unless such privilege is expressly granted by the court, the prisoner is sentenced to ordinary confinement. The prisoner may petition the sentencing court for such privilege at the time of sentence or thereafter, and, in the discretion of the sentencing court, may renew his petition. The sentencing court may withdraw the privilege at any time by order entered with or without notice.

(3) The jailer shall notify the department for human resources which shall endeavor to secure employment for unemployed prisoners under this section. If a prisoner is employed for wages or salary, they shall, by wage assignment, be turned over to the district court which shall deposit the same in a trust checking account and shall keep a ledger showing the status of the account of each prisoner. Such wages or salary are not subject to garnishment of either the employer or the district court during the prisoner's term, and shall be disbursed only as provided in this section; but for tax purposes they are the income of the prisoner.

(4) Every prisoner gainfully employed is liable for the cost of his board in the jail, at the amount established by law. If he defaults his privilege under this section is automatically forfeited. In those cases where the prisoner is confined for a breach of the bylaws or ordinances of a city, or for violation of a statute where the city gets the benefit of the fine, the board will be paid by the district court to the city treasury.

In those cases where the prisoner is confined for contempt, board shall be paid by the district court to the state treasury. In all other cases the fiscal court shall receive the wages earned and disburse the funds as provided in subsection (5). The fiscal court may, by ordinance, provide that the county furnish or pay for the transportation of prisoners employed under this section to and from the place of employment.

(5) Unless otherwise ordered by the sentencing court, the wages or salaries of employed prisoners shall be disbursed by the district court on a monthly basis for the following purposes and in the order stated:

(a) The board of the prisoner;

(b) Support of the prisoner's dependents, if any;

(c) Payment, either in full or ratably, of the prisoner's obligations acknowledged by him in writing or which have been reduced to judgment;

(d) The balance, if any, to the prisoner upon his discharge.

(6) If the prisoner was convicted in a justice or a police court, the district judge shall have authority and jurisdiction to make all determinations and orders under this section as might otherwise be made by the sentencing court after the prisoner is received at the jail.

(7) The district court may direct that its functions under subsections (3) or (5) or both be performed by any bonded public official. Such order shall remain in force until rescinded by the district court.

(8) The bureau of corrections shall, at the request of the district judge, investigate and report on the amount necessary for the support of the prisoner's dependents.

(9) The jailer may refuse to permit the prisoner to exercise his privilege to leave the jail as provided in subsection (1) for any breach of discipline or other violation of jail regulations for a period not to exceed 5 days.

(10) Nothing in this statute shall be construed to affect KRS 64.150 which provides for the payment of fees to the jailer. In this section "jail" refers to all misdemeanant institutions, and "jailer" to the superintendent thereof, but, in counties of the first class, "jailer" designates the sheriff who serves as superintendent of the jail.

(11) In counties containing an urban-county form of government, the duties, responsibilities and obligations vested herein in the bureau of corrections shall be performed by the adult misdemeanant probation and work release agency of the urban-county government.

The Committee on Transportation reported **SB 68, SB 136, SB 148** with Committee Amendment attached thereto, **SB 200, SB 246, SB 298,** and **SB 332** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Consent Calendar.

SB 68, AN ACT relating to roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 177.020 is amended to read as follows:

(1) The state primary road system shall consist of such public roads and city streets within the state as the bureau of highways determines shall be established, constructed or maintained by the bureau of highways.

(2) The bureau shall, in its discretion, determine which public roads, or city streets, shall be established, constructed or maintained by it, and shall determine the type of construction or maintenance for that road or city street.

(3) In the establishment of the state primary road system, the bureau of highways is authorized to select new routes, deviate from an existing route whenever it deems such deviation proper, eliminate from the state primary system roads or city streets which have been replaced as proper part of the system by the construction of a new facility or the selection of a new route. No permanent ingress or egress ramp of the state primary road system on fully controlled access facilities shall be closed, except for repairs, unless a public hearing is first held in the area to be affected by the closing. The bureau of highways shall at least twenty days before the hearing, advertise in a newspaper of general circulation in the area to be affected, by the closing, the date, time and place of the hearing.

(4) *The bureau shall notify the fiscal court of the county at least four (4) months before it eliminates a road, road segment, bridge or street in that county from the state primary road system. Upon receiving notice, the fiscal court may reject title and notify the bureau that the road will not become part of the county road system. If the fiscal court declines, the bureau shall give notice to all private persons entitled to a necessary access over this road of their rights under this chapter, and by petition of any private party entitled to such access the road shall be deemed a discontinued state road and shall be closed to public use but remain open in accordance with its condition and use for the access of the private parties involved.*

In the absence of such petition title shall be transferred to the owner or owners of the tract or tracts of land to which the road originally belonged.

(5)[(4)] The establishment, construction or maintenance of the state primary road system shall be under the direction and control of the bureau of highways. The commissioner of highways is authorized to adopt regulations necessary to the administration of this authority.

Section 2. KRS 178.010 is amended to read as follows:

(1) As used in this chapter, unless the context otherwise requires:

(a) "Construction" includes reconstruction and improvement;

(b) "County roads" are public roads which have been accepted by the fiscal court of the county as a part of the county road system or private roads, streets, or highways which have been acquired by the county pursuant to KRS 178.405 to 178.425. "County roads" includes necessary bridges, culverts, sluices, drains, ditches, waterways, embankments or retaining walls[. "County roads" also includes roads or segments of roads which have been eliminated from the state primary road system by order of the commissioner of highways and transferred to the counties pursuant to KRS 178.030];

(c) "Hard surface road" means a road the surface of which is asphalt, brick, stone block, macadam, concrete, gravel or other material of equal merit.

(2) Nothing in this chapter shall be construed to take from the jurisdiction or control of the legislative body of any incorporated city, any road, bridge, landing or wharf, or any other thing exclusively under the jurisdiction or control of such city.

(3) Nothing in this chapter shall prevent any fiscal court from acquiring land by gift for public purposes.

SECTION 3. A NEW SECTION OF KRS CHAPTER 178 IS CREATED TO READ AS FOLLOWS:

(1) Any county road, or road formerly maintained by the county or state, shall be deemed discontinued and possession shall revert to the owner or owners of the tract of land to which it originally belonged unless at least one (1) of the following conditions exists:

(a) A public need is served by the road;

(b) The road provides a necessary access for a private person;

(c) The road has been maintained and policed by the county or state within a three (3) year period.

(2) If the only condition which exists is for a necessary access for a private person, by a joint petition of all parties entitled to such access, the road shall be deemed discontinued and possession shall revert to the owner or owners of the tract of land to which it originally belonged.

(3) If the only condition which exists is for a necessary access for a private person, by joint petition of all parties entitled to such access, the road shall be closed to public use but remain open in accordance with its condition and use for the access of the private parties involved.

(4) If a county road has been discontinued under the provisions of KRS 178.070, then by a joint petition of all private parties entitled to necessary access the road shall be closed to public use but remain open in accordance with its condition and use for the access of the private parties involved, or by a joint petition of all parties entitled to necessary access the road shall revert to the owner or owners of the tract or tracts of land which it originally belonged.

(5) For the purposes of this chapter "necessary access" shall be construed to include access to any farm, tract of land, or dwelling, or to any portions of such farm, tract of land, or dwelling.

SB 136, AN ACT relating to operators' licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created a medical review board to determine whether any applicant for or any holder of a valid operator's license has physical or mental infirmities which affect or limit the driving ability or make it unsafe for said person to operate a motor vehicle upon the public highways. The board shall be vested with the authority to direct that a driver be required to submit to a complete drivers licensing examination even though such driver may have previously taken such examination. The department of transportation may promulgate such administrative regulations and rules as are necessary to carry out the functions of the medical review board.

(2) The governor shall appoint twenty-five (25) licensed physicians to serve on the medical review board. The board shall consist of at least: five (5) ophthalmologists; four (4) internists; three (3) neurosurgeons or neurologists; two (2) psychiatrists; and one (1) physician certified in rehabilitative medicine.

The remaining members of the board shall be appointed from various other disciplines within the medical profession. On July 1, 1980 the governor shall appoint nine (9) members of the board to serve for a period of one (1) year, eight (8) members of the board to serve for a period of two (2) years; and eight (8) members to serve for a period of three (3) years. Thereafter, their successors in office shall be appointed by the governor for a term of three (3) years each. Board members may be reappointed to consecutive terms.

(3) The medical review board shall meet at such times as may be prescribed by regulation. To constitute a meeting of the board within the meaning of this section, a panel of not more than seven (7) board members nor less than three (3) board members shall meet to consider drivers licensing cases. A member of the board who participates in a meeting shall receive compensation at the rate of one hundred dollars ($100) per day and shall be reimbursed for necessary expenses incurred in the performance of his duties. In no event shall any member be paid for more than twenty (20) days in one (1) calendar year. The division of driver licensing of the department of transportation shall provide the board with administrative personnel and other administrative assistance as may be necessary to carry out the provisions of this section.

SB 148, AN ACT relating to motor vehicle operators.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 27A.020 is amended to read as follows:

The chief justice in his sole discretion may delegate the following functions to the administrative director of the courts or to his administrative assistants;

(1) Perform administrative services for the Court of Justice and supervise its clerical and administrative personnel, and its accommodations;

(2) Act as fiscal officer of the Court of Justice and in so doing shall:

(a) Maintain fiscal controls and accounts of funds appropriated for the Court of Justice;

(b) Review and audit expense vouchers of justices, judges, and employes of the Court of Justice. Upon approval, the chief justice shall submit the vouchers to the executive department for finance and administration, which shall certify the same to the state treasurer for payment;

(c) Prepare all requisitions for the payment of state moneys appropriated for the maintenance and operation of the Court of Justice;

(d) Prepare budget estimates of state appropriations necessary for the maintenance and operation of the Court of Justice and make recommendations in respect thereto;

(e) Collect statistical and other data and make report to the Supreme Court relating to the expenditure of public moneys for the maintenance and operation of the Court of Justice and the offices connected therewith;

(3) Ascertain the necessity for assignment of justices and judges as contemplated by section 110(5)(b) of the Constitution, make reports concerning their performance of duties and certify the compensation payable to them;

(4) Carry on a continuous survey and study of the organization, operation, condition of business, practice and procedure of the Court of Justice;

(5) Collect and compile statistical and other data concerning the operations of the courts, and to this end may require all necessary reports from the courts and clerks thereof of this Commonwealth relating to rules, dockets, and business dispatched or pending in such courts;

(6) Formulate and submit to the Supreme Court recommendations of policies for the improvement of the Court of Justice;

(7) Provide for educational programs for the members of the Court of Justice;

(8) Report to the general assembly concerning the work of the Court of Justice and make such recommendations for the improvement of administration of justice as deemed necessary and proper;

(9) Supervise, operate, and administer all pretrial release programs and personnel which come within the purview of the Court of Justice, or which are related thereto;

(10) Perform such other functions as may be assigned by the chief justice.

SECTION 2. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO READ AS FOLLOWS:

(1) The department of transportation shall establish a driver improvement program for traffic offenders. The program shall be composed of uniform education and training elements designed to create a lasting and corrective influence on the driving performance of traffic offenders. District courts may in lieu of assessing penalties for traffic offenses, sentence offenders to said driver improvement program and no other.

(2) Whenever any district court stipulates in its judgment of conviction that a person attend a driver improvement program, the court shall so indicate in the space provided on the abstract of conviction filed

with the administrative office of the courts. Upon receipt of such abstract, the administrative office of the courts, or its representative, shall forthwith schedule such person to attend a driver improvement program. Failure of such person to attend and satisfactorily complete a driver improvement program in compliance with the court order, may be punished as contempt of the sentencing court.

(3) The department of transportation shall supervise, operate and administer said driver improvement program, and shall promulgate such regulations as are necessary relating to facilities, equipment, courses of instruction, instructors and records of the program. In the event a person sentenced under subsection (1) of this section does not attend or satisfactorily complete the prescribed driver improvement program, the administrative office of the courts shall provide a report to the local district court responsible for the sentencing.

(4) Persons sentenced to a driver improvement program as provided in this Act shall, upon sentencing, pay a fee of fifteen dollars ($15)to defray the cost of operating the program.

The Committee Amendment No. 1 to **SB 148** is as follows:

Amend printed copy of **SB 148,** on page 1, by deleting lines 1-21 in their entirety; and

on page 2, by deleting lines 1-26 in their entirety; and

on page 3, by deleting lines 1-11 in their entirety; and

on page 3, line 12, by renumbering "Section 2" ad "Section 1".

SB 200, AN ACT relating to state police.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 16.055 is amended to read as follows:

(1) Promotions to sergeant within the bureau shall be on the following terms and conditions:

(a) *No officer shall be promoted to the rank of sergeant unless the officer has completed at least five (5) years in service as a sworn officer of the bureau* [The applicant must have served as a commissioned state police officer for a period of five years to be eligible for promotion to sergeant];

(b) Promotions shall be based on the highest cumulative score computed from thirty percent (30%) on personnel performance evaluation, twenty percent (20%) on oral examination, and fifty percent (50%) on a written examination;

(c) The promotional list shall continue in existence for one (1) year and promotions shall be made in consecutive order beginning with the highest numerical ranking to fill an interim vacancy. When two (2) or more *officers* [applicants] receive the same numerical score, the order of placement on the list shall be determined by seniority of service. Upon the determination of a new numerical ranking following a new examination, all previous rankings shall be null and void;

(d) The written examination shall be prepared and administered by an individual designated by the commissioner. The materials and textbooks will be selected by the commissioner and his staff. The commissioner will inform all *officers* [applicants] at least three (3) months prior to the examination date of the exact material from which test questions will be taken;

(e) The written test shall be administered to all *officers* [applicants] at the same time. Immediately upon completion of the written test the *officer* [applicant] will receive his numerical score. Such numerical score shall remain valid for a period of two (2) years following the date of examination unless the source material upon which the test is based is changed by more than thirty percent (30%);

(f) The oral examination shall be conducted by interview boards designated by the commissioner consisting of the commissioner or his designated appointee not lower than rank of captain, an officer from another police agency of the rank equal to the position for which the *officer* [applicant] is competing, an instructor from an accredited law enforcement education program, a personnel director from private industry, and an officer from the Kentucky state police of the rank equal to the position for which the *officer* [applicant] is competing;

(g) The designated oral boards will perform all interviews under guidelines developed and approved by the commissioner;

(h) Personnel evaluations shall be made by the appropriate supervisory personnel under procedures established and approved by the commissioner.

(2) Promotions from sergeant to lieutenant within the bureau shall be on the same terms and conditions as promotions to sergeant. In addition, any *officer competing for the rank of* [applicant for] lieutenant must have completed at least *three (3) years* [one (1) year] of continuous service in grade as sergeant.

(3) Promotions from lieutenant to captain within the bureau shall be on the same terms and conditions as promotions to lieutenant. In addition, any *officer competing for the rank of* [applicant for] captain must have completed at least *three (3) years* [one (1) year] of continuous service in grade as lieutenant.

(4) The bureau will develop and administer only one (1) test for each of the above ranks. All eligible *officers* [applicants] will be permitted to participate in the promotional process to the next highest position of responsibility wherever a vacancy exists. *Only officers who shall have completed their time in service or time in grade requirements on or before the effective date of the promotional list for which they are competing shall be eligible to participate in the promotional process.*

(5) The provisions of KRS 16.140 to the contrary notwithstanding, all ranks above the grade of captain are temporary and shall not be subject to the provisions for selection and promotion as required herein. All officers in such temporary positions shall serve at the pleasure of the commissioner and shall revert to their previous permanent rank upon the termination of their temporary appointment.

(6) The total number of supervisory officers of all classifications shall be limited to a ratio not to exceed one (1) supervisor for every five (5) non-supervisory officers.

(7) No officer of the bureau, other than temporary positions above the rank of captain, shall be promoted to the next highest rank without competing with other officers as prescribed by this promotional procedure.

(8) There shall be no discrimination based on race, sex, age, national origin, color, religion, creed, or political affiliation with respect to the bureau promotional system. All personnel actions are to be based solely on merit.

Section 2. Whereas it is essential that all officers seeking promotion be governed by the same rules, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 246, AN ACT relating to the licensing of motor vehicle operators.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.450 is amended to read as follows:

(1) Any person who, except for his lack of instruction in operating a motor vehicle, would otherwise be qualified to obtain a permanent operator's license, may make application for and obtain an instruction permit, to be issued by the circuit court clerk in the county of the applicant's residence, and such permit shall be valid for not more than *six (6) months* [sixty (60) days]. The permit holder shall have this permit in his possession and be accompanied by a licensed operator occupying the seat beside the operator at all times while operating a motor vehicle upon the highway.

(2) Any person who, except for his lack of instruction in operating a motorcycle or moped, would otherwise be qualified to obtain a permanent motorcycle operator's license, may make application for and obtain an instruction permit, to be issued by the circuit court clerk in the county of the applicant's residence, and such permit shall be valid for not more than *six (6) months* [sixty (60) days]. The permit holder shall have this permit in his possession at all times while operating a motorcycle upon the highway.

(3) The clerk, after determining that the applicant has fully complied with the laws governing the issuance of instruction permits shall, upon the request of the applicant, issue a permanent moped license. Any valid motor vehicle operator license may also be used in the operation of a moped.

SB 298, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.074 is amended to read as follows:

(1) The department of transportation is hereby authorized and empowered to design, issue and regulate the use of temporary permits for use in cases where dealer's plates cannot be used. No such temporary permit shall be valid in any event for more than ten (10) days and the expiration date shall be legibly written in ink on the permit. A person purchasing said permit shall pay a fee of fifty cents (50¢) per permit to the clerk for his services.

(2) The department of transportation is hereby authorized and empowered to design, issue and regulate the use of temporary permits for dealers in vehicles who are not required to be licensed under the provisions of KRS Chapter 190 or for financial institutions operating motor vehicles repossessed in the manner

set forth by KRS 138.470(12) and exempted from the tax imposed by KRS 138.460, *or for the movement from one (1) location to another of vehicles not otherwise required to be licensed under KRS Chapter 186, or for the movement of vehicles by persons engaged in manufacturing articles for attachment to vehicles when such vehicles are being transported to or from places where mechanical equipment is attached to the chassis of such new vehicles.* No temporary permit issued under the provisions of this section shall be valid for more than ten (10) days and the expiration date shall be legibly written in ink on the permit. A person purchasing said permit shall pay a fee of fifty cents (50¢) per permit to the department for its services. The department of transportation is hereby authorized and empowered to promulgate rules and regulations for the administration of this section.

SB 332, AN ACT relating to automobile, vehicle, machinery or material recyclers.

WHEREAS, the Kentucky Court of Appeals ruled that the language in this statute relating to material recycling establishments was unconstitional because such establishments were not mentioned in the title of the bill as enacted in 1978;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 177.905 is repealed and reenacted to read as follows:

As used in KRS 177.905 to 177.950, unless the context otherwise requires:

(1) "Road" means any county, state, federal or limited access highway or turnpike, including bridges and bridge approaches.

(2) "Automobile, vehicle or machinery recyclers" means any place where five (5) or more junked, wrecked or non-operative automobiles, vehicles, machines and other similar scrap or salvage materials are deposited, parked, placed or otherwise located.

(3) "Material recyclers" shall mean any establishment or place of business, including garbage dumps and sanitary fills, maintained, operated, or used for storing, keeping, buying or selling of old or scrap copper, brass, rope, rags, batteries, paper, trash, rubber debris, waste, or motor vehicle parts, iron, steel, and other old or scrap ferrous or nonferrous material.

(4) "Operator or operators" means a person, firm or corporation operating an automobile, vehicle, machinery or material recycling establishment or place of business or the allowing of such automobile, vehicle, machinery or material recycling establishment or place of business to be placed or deposited, or to remain on premises owned or controlled by such person, firm or corporation.

(5) "Person" means any individual, firm, agency, company, association, partnership, business trust, joint stock company, body politic or corporation.

(6) "Bureau" means the bureau of highways.

(7) "Commissioner" means the commissioner of the bureau of highways.

Section 2. KRS 177.910 is repealed and reenacted to read as follows:

No person shall operate or cause to be operated any automobile, vehicle, machinery or material recycling establishment or place of business which is situated closer than 1,000 feet from the right-of-way line of any road unless a permit for such operation shall have been obtained from the bureau. The operation of any automobile, vehicle, machinery or material recycling establishment or place of business so situated without a permit is hereby declared to be a public nuisance.

Section 3. KRS 177.912 is repealed and reenacted to read as follows:

An automobile, vehicle or machinery recycling establishment or place of business or material recycling establishment or place of business which complies as a conforming use in an industrially zoned area under the applicable zoning ordinances and regulations of any county or city, as determined in the discretion of the commissioner of highways, shall not be deemed to be in violation of KRS 177.905 to 177.950.

Section 4. KRS 177.915 is repealed and reenacted to read as follows:

The permit required by KRS 177.910 shall be issued in accordance with the rules and regulations of the bureau, promulgated pursuant to the provisions of KRS 177.905 to 177.950, when it is shown to the satisfaction of the commissioner that an automobile, vehicle, machinery or material recycling establishment or place of business located closer than 1,000 feet from the right-of-way line of any road is, so far as deemed practical by the commissioner, hidden from the view of motorists using such road by an artificial or natural screen, or is by virtue of natural topography so hidden. The screening required in this section may be effected by the construction of a fence, or by planting shrubs, trees, or flowering plants, the foliage of which provides a sufficient screen or by making use of foliage already in existence. Any automobile, vehicle, machinery or material recycling establishment or place of business that cannot as a practical matter be screened, shall be required to be removed.

Section 5. KRS 177.935 is repealed and reenacted to read as follows:

The bureau is hereby empowered to:

(1) Exercise general supervision of the administration and enforcement of KRS 177.905 to 177.950.

(2) Adopt, after hearing, such rules and regulations pertaining to the operation of automobile, vehicle, machinery or material recycling establishments or places of business as the commissioner may deem necessary to the administration and enforcement of KRS 177.905 to 177.950.

(3) Adopt, without hearing, rules and regulations with respect to the sufficiency, type of material or foliage, height, density and size of screening required by KRS 177.915 to insure the accomplishment of the purposes of KRS 177.905 to 177.950.

(4) Adopt, without hearing, rules and regulations with respect to the procedural aspects of hearings, the filing of reports and orders, the issuance of permits and other matters.

(5) Issue, after hearing, orders abating the operation of an automobile, vehicle, machinery or material recycling establishments or places of business in violation of the provisions of KRS 177.905 to 177.950, or requiring the adoption of remedial measures including the construction or planting of screens or the utilization of natural screening, extension, modification or addition to new or existing screens.

(6) Issue, continue in effect, revoke, modify or deny under such conditions as the bureau may prescribe permits for the operation of an automobile, vehicle, machinery or material recycling establishments or places of business.

(7) Make investigations or inspections which may be deemed necessary by the commissioner to insure compliance with the provisions of KRS 177.905 to 177.950, or with any rules, regulations or orders of the department which may be deemed necessary to enable the bureau to administer and enforce the provisions of KRS 177.905 to 177.950.

(8) Institute in a court of competent jurisdiction procedures, including injunctive relief, to compel compliance with the provisions of KRS 177.905 to 177.950 and with the orders, rules and regulations issued pursuant thereto.

(9) Enter at any reasonable time through any officer, assistant, agent or employe in or upon any public or private property for the purpose of investigation and inspection of conditions relating to the operation of any automobile, vehicle, machinery or material recycling establishments or places of business.

(10) Perform such other and further acts as may be necessary, proper or desirable in order to carry out effectively the duties and responsibilities of the bureau prescribed in KRS 177.905 to 177.950.

Section 6. KRS 177.940 is repealed and reenacted to read as follows:

(1) Public hearings shall be conducted by the bureau prior to the adoption of any rules or regulations which pertain to the prevention, abatement or control of automobile, vehicle, machinery or material recycling establishments or places of business or before the issuance of any order prohibiting the performance by any person of any act or acts deemed to be in contravention of any rules, regulations, orders or permits of the bureau; or before denial, revocation or modification of any permit provided for by KRS 177.905 to 177.950; or before any other final determination is made by the bureau which directly affects the activities of any person.

(2) The bureau shall grant a hearing to any person, not previously heard in connection with the issuance of any order or the making of any determination, who may consider himself aggrieved by any such order or determination and who shall file with the bureau a verified petition alleging that such order or determination is contrary to law or that is injurious to him, stating the grounds and reasons therefor and requesting a hearing thereon. At such hearing the petitioner may appear in person or by attorney, may present his side and may submit evidence, and shall be given full opportunity to be heard.

(3) The hearings provided for in KRS 177.905 to 177.950 may be conducted by the commissioner, deputy commissioner or any highway official designated by the commissioner in the name of the bureau at a time and place specified by the commissioner.

The Committee on Transportation reported **SB 381,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 381, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.020 is amended to read as follows:

(1) Before the owner of a motor vehicle, other than a motor vehicle engaged in the transportation of passengers for hire operating under a certificate of convenience and necessity, may operate it or permit

its operation upon a highway, the owner shall apply for registration in accordance with regulations issued by the department, except that a person who purchases a motor vehicle, or brings a motor vehicle into the Commonwealth from another state shall make application for registration within five (5) days. The bill of sale or assigned title must be in the motor vehicle during this five-day period. If the owner of a motor vehicle is an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which he resides. If the owner of a motor vehicle does not reside in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which the motor vehicle is principally operated. If the owner of a motor vehicle is other than an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of either such county. The application when presented to the county clerk for registration shall be accompanied by:

(a) A bill of sale and a manufacturer's certificate of origin if the application is for the registration of a new motor vehicle; or

(b) The owner's registration receipt, if the motor vehicle was last registered in this state; or

(c) A bill of sale and the previous registration receipt, if last registered in another state where the law of such state does not require the owner of a motor vehicle to obtain a certificate of title or ownership; or

(d) A certificate of title, if last registered in another state where the law of such state requires the owner of a motor vehicle to obtain a certificate of title or ownership.

(2) (a) After that, the owner of any motor vehicle registered under KRS 186.050(1) shall register his motor vehicle on or before his certificate of registration expires. If, before operating such motor vehicle in this state, the owner registers it at some later date and pays the fee for the full year, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the bureau.

(b) After that, the owner of any motor vehicle registered under KRS 186.050(2) shall register his motor vehicle on or before March 1 of each year. If, before operating such motor vehicle in this state, the owner registers it at some later date and pays the fee for the full year, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the bureau.

(3) After that, the owner of any commercial vehicle registered under KRS 186.050(3) through (14) shall register his commercial vehicle on or before April 1 of each year. If, before operating such commercial vehicle in this state, the owner registers it at some later date and pays the required fee, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the bureau.

(4) The application and documents presented therewith, *including the sheriff's certificate of inspection,* shall be *affixed to the department of transportation copy of the certificate of title or registration and sent to the department of transportation by the clerk* [retained on file in the office of the clerk for a period of not less than seven (7) years].

SECTION 2. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO READ AS FOLLOWS:

The department of transportation shall revoke any license permit, certificate of title, registration, or other document relating to a motor vehicle which it finds has been issued due to fraud, bribery, theft of documents, or other illegal act with respect thereto by any person or organization seeking an official document relating to such vehicle.

SECTION 3. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO READ AS FOLLOWS:

In any instance where a transfer of a motor vehicle shall be accompanied by a certificate of title or registration and such vehicle:

(1) Has had the vehicle identification number removed, or

(2) Has had the vehicle identification number altered, or

(3) Has had the vehicle identification number defaced, or

(4) Has had the vehicle identification number covered,

the owner thereof shall, before delivery of the vehicle to any other person obtain a replacement vehicle identification number from the manufacturer and affix it to the vehicle at the places specified by the bureau of vehicle regulation or obtain a Kentucky identification number from the department and affix it to the vehicle at the places specified by the bureau of vehicle regulation.

Section 4. KRS 186.190 is amended to read as follows:

(1) Whenever a motor vehicle that has been previously registered changes ownership, the registration plate shall remain upon such motor vehicle as a part of it until the expiration of the registration year.

(2) No person shall *purchase,* sell or trade any motor vehicle without delivering to the county clerk of the county in which the sale or trade is made the current registration receipt issued on the motor vehicle and the bill of sale.

(3) Upon delivery of the registration receipt and the bill of sale to the county clerk of the county in which the sale or trade was made, the seller shall pay to the county clerk a transfer fee of one dollar ($1.00), which shall be remitted to the department of transportation. The county clerk shall thereupon issue to the purchaser a transfer of registration bearing the same data and information as contained on the original registration receipt, except the change in name and address. The seller shall pay to the county clerk a fee of two dollars ($2.00) for his services.

(4) Whenever a county clerk issues to a purchaser a transfer of registration in a county other than the one in which the motor vehicle was originally registered, the clerk shall immediately mail one (1) copy of the transfer of registration to the clerk of the county of original registration.

(5) If the owner junks or otherwise renders a motor vehicle unfit for future use, he shall deliver the registration plate and registration receipt to the county clerk of the county in which the motor vehicle is junked. The county clerk shall immediately return the plate and receipt to the department of transportation. The owner shall pay to the county clerk fifty cents (50¢) for his services.

(6) A licensed motor vehicle dealer shall not be required to pay the transfer fee provided by this section, but shall be required to pay the county clerk's fee provided by this section.

(7) The registration receipt issued by the clerk under this section shall contain information as required by the bureau of vehicle regulation.

Section 5. KRS 186.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 186.020, 186.030, 186.040, 186.045 (5), 186.050, 186.056, 186.060, 186.070, 186.110, 186.130, 186.140, 186.150, 186.160, 186.170, 186.180, 186.210, 186.230, or 186.655 to 186.680 shall be fined not less than twenty-five dollars ($25) nor more than one hundred dollars ($100) for each offense.

(2) Any person who violates any of the provisions of KRS 138.465, 186.190, or 186.200 shall be fined not less than twenty-five dollars ($25) nor more than two thousand dollars ($2,000) or imprisoned for not more than one (1) year, or both.

(3) Unless another penalty is provided by law, any person who violates any of the provisions of KRS 186.400 to 186.640 shall be fined not less than seventeen dollars ($17) nor more than five hundred dollars ($500) or imprisoned for not more than six (6) months, or both.

(4) Any clerk or judge failing to comply with subsection (1) of KRS 186.550 shall be subject to a penalty of one hundred dollars ($100) which shall accrue to the state and may be recovered with costs of the suit in a civil action brought by the department.

(5) If it appears to the satisfaction of the trial court that any offender under KRS 186.400 to 186.640 has a driver's license but in good faith failed to have same on his or her person or misplaced or lost same, the court may, in its discretion, dismiss the charges against the defendant without fine, imprisonment or cost.

(6) Any person who steals a motor vehicle registration plate shall be guilty of a felony and shall be confined in the penitentiary for not less than one (1) nor more than five (5) years. Displaying a canceled registration plate on a motor vehicle shall be prima facie evidence of guilt under this section.

(7) Any person who violates the provisions of Section 3 of this Act shall be guilty of a Class A misdemeanor.

The Committee Amendment No. 1 to **SB 381** is as follows:

Amend printed copy of **SB 381,** on page 8, line 6, after the word "demeanor.", by inserting the following language:

"Section 6. KRS 190.041 is amended to read as follows:

(1) Notwithstanding any language in this chapter to the contrary, any power, duty, or right accorded to or vested in the board under this chapter, whether by way of investigation, inspection, review, approval, arrest, enforcement, suspension or revocation of license, or otherwise, shall not be asserted or exercised with respect to a manufacturer, distributor or wholesaler, a factory branch, or a factory representative, it being the intention of the legislature that neither the manufacturer, distributor or wholesaler, nor a factory branch, nor a factory representative shall be subject in any way, directly or indirectly, to the jurisdiction or power of the board. Any order of the licensor under this section and without the approval of the board shall be subject to appeal in the manner provided herein.

(2) Any order of the licensor required to be taken by reason of this section without approval of the board shall be asserted or exercised with respect to a manufacturer, distributor [or wholesaler], a factory branch, or a factory representative and carry the same force and effect against all parties as any other order of the licensor and subject to appeal in the manner provided herein."

The Committee on Appropriations and Revenue reported **SB 79** with Committee Amendment attached thereto, and **SB 133** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 79, AN ACT relating to civil rights and making an appropriation therefor.

WHEREAS, the purpose of the Kentucky Civil Rights Act is to provide for execution within the state of the policies embodied in the Federal Civil Rights Law; and

WHEREAS, housekeeping amendments are needed to the Kentucky Civil Rights Act to carry out policies of the Federal Civil Rights Acts and recent court decisions;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 344.010 is amended to read as follows:

In this chapter:

(1) "Person" includes one or more individuals, labor unions, joint apprenticeship committees, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, or other legal or commercial entity; the state, any of its political or civil subdivisions or agencies.

(2) "Commission" means the Kentucky Commission on Human Rights.

(3) "Commissioner" means a member of the commission.

(4) "Discrimination" means any direct or indirect act or practice of exclusion, distinction, restriction, segregation, limitation, refusal, denial or any other act or practice of differentiation or preference in the treatment of a person or persons because of race, color, religion, national origin, sex, or age between forty (40) and *seventy (70)* [sixty-five (65)], or the aiding, abetting, inciting, coercing or compelling thereof.

(5) "Real property" includes buildings, structures, real estate, lands, tenements, leaseholds, cooperatives, condominiums, and hereditaments, corporeal and incorporeal, or any interest in the above.

(6) "Housing accommodations" includes improved and unimproved property and means a building, structure, lot or part thereof which is used or occupied, or is intended, arranged or designed to be used or occupied as the home or residence of one or more individuals.

(7) "Real estate operator" means any individual or combination of individuals, labor unions, joint apprenticeship committees, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees in bankruptcy, receivers or other legal or commercial entity, the county or any of its agencies, that is engaged in the business of selling, purchasing, exchanging, renting or leasing real estate, or the improvements thereon, including options, or that derives income, in whole or in part, from the sale, purchase, exchange, rental or lease of real estate; or an individual employed by or acting on behalf of any of these.

(8) "Real estate broker" or "real estate salesman" means an individual, whether licensed or not, who, on behalf of others, for a fee, commission, salary, or other valuable consideration, or who with the intention or expectation of receiving or collecting the same, lists, sells, purchases, exchanges, rents or leases real estate, or the improvements thereon, including options, or who negotiates or attempts to negotiate on behalf of others such an activity; or who advertises or holds himself out as engaged in such activities; or who negotiates or attempts to negotiate on behalf of others a loan secured by mortgage or other encumbrance upon a transfer of real estate, or who is engaged in the business of charging an advance fee or contracting for collection of a fee in connection with a contract whereby he undertakes to promote the sale, purchase, exchange, rental, or lease of real estate through its listing in a publication issued primarily for such purpose; or an individual employed by or acting on behalf of any of these.

(9) "Financial institution" means bank, banking organization, mortgage company, insurance company, or other lender to whom application is made for financial assistance for the purchase, lease, acquisition, construction, rehabilitation, repair, maintenance, or improvement of real property, or an individual employed by or acting on behalf of any of these.

(10) "Licensing agency" means any public or private organization which has as one of its duties the issuing of licenses or the setting of standards which an individual must hold or must meet as a condition to practicing a particular trade or profession or to obtaining certain employment within the state or as a condition to competing effectively with an individual who does hold a license or meet the standards.

(11) "Credit transaction" shall mean any open or closed end credit transaction whether in the nature of a loan, retail installment transaction, credit card issue or charge, or otherwise, and whether for personal or for business purposes, in which a service, finance, or interest charge is imposed, or which provides for repayment in scheduled payments, when such credit is extended in the course of the regular course of any trade or commerce, including but not limited to transactions by banks, savings and loan associations or other financial lending institutions of whatever nature, stock brokers, or by a merchant or mercantile establishment which as part of its ordinary business permits or provides that payment for purchases of property or services therefrom may be deferred.

Section 2. KRS 344.020 is amended to read as follows:

(1) The general purposes of this chapter are:

(a) To provide for execution within the state of the policies embodied in the federal civil rights act of 1964 *as amended* (78 Stat. 241), title VIII of the federal civil rights act of 1968 (82 Stat. 81), and the federal age discrimination in employment act of 1967 (81 Stat. 602);

(b) To safeguard all individuals within the state from discrimination because of race, color, religion, national origin, sex, and age; thereby to protect their interest in personal dignity and freedom from humiliation, to make available to the state their full productive capacities, to secure the state against domestic strife and unrest which would menace its democratic institutions, to preserve the public safety, health and general welfare, and to further the interest, rights and privileges of individuals within the state;

(c) To establish as the policy of the Commonwealth the safeguarding of the rights of an individual selling or leasing his own property through private sale without the aid of any real estate operator, broker or salesman and without advertising or public display.

(2) This chapter shall be construed to further the general purposes stated in this section and the special purposes of the particular provision involved.

(3) Nothing in this chapter shall be construed as indicating an intent to exclude local laws on the same subject matter not inconsistent with this chapter.

(4) Nothing contained in this chapter shall be deemed to repeal any other law of this state relating to discrimination because of race, color, religion, national origin, sex, or age.

Section 3. KRS 344.030 is amended to read as follows:

For the purposes of KRS 344.030 to 344.110:

(1) "Employer" means a person who has eight (8) or more employes within the state in each of twenty (20) or more calendar weeks in the current or preceding calendar year and an agent of such a person.

(2) "Employment agency" means a person regularly undertaking with or without compensation to procure employes for an employer or to procure for employes opportunities to work for an employer and includes an agent of such person.

(3) "Labor organization" means a labor organization and an agent of such an organization, and includes an organization of any kind, an agency or employe representation committee, group, association, or plan so engaged in which employes participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours, or other terms or conditions of employment, and a conference, general committee, joint or system board, or joint council so engaged which is subordinate to a national or international labor organization.

(4) "Employe" means an individual employed by an employer, but does not include an individual employed by his parents, spouse or child, or an individual employed to render services as a domestic in the home of the employer.

(5) "Religion" means all aspects of religious observance and practice, as well as belief, unless an employer demonstrates that he is unable to reasonably accommodate to an employe's or prospective employe's religious observance or practice without undue hardship on the conduct of the employer's business.

(6) The terms "because of sex" or "on the basis of sex" include, but are not limited to, because of or on the basis of pregnancy, childbirth, or related medical conditions; and women affected by pregnancy, childbirth, or related medical conditions shall be treated the same for all employment-related purposes, including receipt of benefits under fringe benefit programs, as other persons not so affected but similar in their ability or inability to work, and nothing in this section shall be interpreted to permit otherwise.

Section 4. KRS 344.040 is amended to read as follows:

It is an unlawful practice for an employer:

(1) To fail or refuse to hire, or to discharge any individual, or otherwise to discriminate against an individual with respect to his compensation, terms, conditions, or privileges of employment, because of such individual's race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five]; or

(2) To limit, segregate, or classify his employes in any way which would deprive or tend to deprive an individual of employment opportunities or otherwise adversely affect his status as an employe, because of such individual's race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five].

Section 5. KRS 344.050 is amended to read as follows:

(1) It is an unlawful practice for an employment agency to fail or refuse to refer for employment, or otherwise to discriminate against, an individual because of his race, color, religion, national origin, sex or age between forty and *seventy (70)* [sixty-five], or to classify or refer for employment an individual on the basis of his race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five].

(2) It is an unlawful practice for a licensing agency to refuse to license, or to bar or terminate from licensing an individual because of race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five].

Section 6. KRS 344.060 is amended to read as follows:

It is an unlawful practice for a labor organization:

(1) To exclude or to expel from its membership, or otherwise to discriminate against, a member or applicant for membership because of his race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five].

(2) To limit, segregate, or classify its membership, or to classify or fail to refuse to refer for employment an individual, in any way which would deprive or tend to deprive an individual of employment opportunities, or would limit such employment opportunities or otherwise adversely affect his status as an employe or as an applicant for employment, because of such individual's race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five].

(3) To cause or attempt to cause an employer to discriminate against an individual in violation of this section.

Section 7. KRS 344.080 is amended to read as follows:

It is an unlawful practice for an employer, labor organization, licensing agency, or employment agency to print or publish or cause to be printed or published a notice or advertisement relating to employment by such an employer or membership in or any classification or referral for employment by the employment or licensing agency, indicating any preference, limitation, specification, or discrimination, based on race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five], except that such a notice or advertisement may indicate a preference, limitation, or specification based on religion, national origin, sex or age between forty and *seventy (70)* [sixty-five], when religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five], is a bona fide occupational qualification for employment.

Section 8. KRS 344.100 is amended to read as follows:

Notwithstanding any other provision of this chapter, it is not an unlawful practice for an employer to apply different standards of compensation, or different terms, conditions, or privileges of employment pursuant to a bona fide seniority or merit system, or a system which measures earnings by quantity or quality of production or to employes who work in different locations, provided that such differences are not the result of an intention to discriminate because of race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five], nor is it an unlawful practice for an employer to give and to act upon the results of any professionally developed ability test provided that such test, its administration or action upon the results is not designed, intended or used to discriminate because of race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five].

Section 9. KRS 344.110 is amended to read as follows:

(1) Nothing contained in this chapter requires an employer, employment agency, labor organization, or joint labor-management committee subject to this chapter to grant preferential treatment to an individual or to a group because of the race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five] of the individual or group on account of an imbalance which may exist with respect to the total number or percentage of persons of any race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five] employed by an employer, referred or classified for employment by an employment agency or labor organization, admitted to membership or classified by a labor organization, or admitted to, or employed in, an apprenticeship or other training program, in comparison with the total number or percentage of persons of such race, color, religion, national origin, sex, or age between forty and *seventy (70)* [sixty-five] in the state or a community, section, or other area, or in the available workforce in the state or a community, section or other area.

(2) Nothing contained in this chapter regarding age prohibits:

(a) Minimum hiring ages otherwise provided by law.

(b) State compliance with federal regulations.

(c) Termination of the employment of any person who is unable to perform his duties.

(d) Any physical or medical examinations of applicants or employes which an employer requires to determine fitness for the job or position sought or held.

(e) An employer, labor organization or employment agency from observing the terms of a bona fide seniority system or any bona fide employe benefit plan such as a retirement, pension or insurance plan which is not a subterfuge to evade the purposes of this chapter, except that no such employe benefit plan shall excuse the failure to hire any individual.

SECTION 10. A NEW SECTION OF KRS CHAPTER 344 IS CREATED TO READ AS FOLLOWS:

(1) It shall be an unlawful practice for any person to engage in any of the activities made an unlawful practice by KRS 344.360 because of an individual's sex.

(2) Nothing in this section shall apply to:

(a) The YMCA, YWCA and similar type single sex dormitory rental properties, including but not limited to those dormitories operated by institutions of higher education;

(b) A landlord who refused to rent to an unmarried couple of opposite sex; or

(c) A landlord who chooses to rent only to men or only to women; provided that the landlord engages in the rental to no more than four (4) persons or of no more than four (4) self-contained units in an owner occupied housing accommodation; or

(d) Rooms or rental units where tenants would be required to share common bath or kitchen facilities.

SECTION 11. A NEW SECTION OF KRS CHAPTER 344 IS CREATED TO READ AS FOLLOWS:

It is an unlawful practice for a person in the business of insuring against hazards to refuse to enter into, or discriminate in the terms, conditions, or privileges of, a contract of insurance against hazards to a housing accommodation because of the race, color, religion, national origin or sex of persons owning, or residing in or near the housing accommodation.

SECTION 12. To carry out the purposes of Section 10 of this Act relating to discrimination because of sex, there is appropriated to the Kentucky Commission on Human Rights out of the General Expenditure Fund in the State Treasury, the sum of thirty-seven thousand dollars ($37,000) for the 1980-1981 fiscal year, and forty-nine thousand dollars ($49,000) for the 1981-1982 fiscal year.

The Committee Amendment No. 1 to **SB 79** is as follows:

Amend printed copy of **SB 79,** on page 13, line 15, by deleting "four (4)" and inserting in its place, "ten (10)"; and line 16 by deleting "four (4)" and inserting in its place, "ten (10)".

SB 133, AN ACT relating to inheritance tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 140.310 is amended to read as follows:

(1) Agricultural or horticultural land may be assessed at its agricultural or horticultural value in a decedent's estate for Kentucky inheritance tax purposes if the agricultural or horticultural land is qualified real estate and is passing to a qualified person or persons.

(2) Agricultural or horticultural land which comprises a portion of the assets of a corporation, and stock in which is wholly owned by qualified persons, the balance of the assets of said corporation being personal property entirely related to the use of agricultural or horticultural land, may be assessed at its agricultural or horticultural value in a decedent's estate for Kentucky inheritance tax purposes for the agricultural or horticultural rate for qualified real estate and if the stock in said corporation passes to a qualified person or persons.

Section 2. KRS 140.330 is amended to read as follows:

In the event the qualified real estate is reported for inheritance tax purposes at its agricultural or horticultural value and that real estate has been assessed at its agricultural or horticultural value for ad valorem tax purposes, then that assessment shall be presumed to be its agricultural or horticultural value for inheritance tax purposes. If, however, the real estate has not been so assessed for ad valorem tax purposes, then the agricultural or horticultural value shall be determined pursuant to KRS Chapter 132 and such regulations as may be promulgated by the department of revenue to determine horticultural or agricultural value for inheritance tax purposes.

Section 3. Acts 1978 Chapter 138, Section 12, is amended to read as follows:

Section 12. Sections 5 through 12 of this Act shall become effective on July 1, 1978 [, and shall expire on June 30, 1980].

The Committee Amendment No. 1 to **SB 133** is as follows:

Amend printed copy of **SB 133,** on page 1, line 11, by adding after the word "by" the words, "the decedent or by the decedent and".

The Committee on Judiciary reported **SB 31,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 31, AN ACT relating to exemptions of real and personal property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 427.010 is amended to read as follows:

(1) The following personal property of a person resident in this state is exempt from execution, attachment, garnishment, distress or fee-bill: All household furnishings, *jewelry,* personal clothing and ornaments not to exceed $1,500 in value; tools, equipment and livestock, including poultry, of a person engaged in farming, not exceeding $1,500 in value; one motor vehicle and its necessary accessories, including one spare tire, not exceeding in the aggregate *$2,500* [$1,500] in value*; professionally prescribed health aids for the debtor, or a dependent of the debtor*[, of a person engaged in farming or of a person who uses such motor vehicle in his employment, or traveling to and from his place of employment].

(2) Except as provided in subsection (3) of this section and KRS 427.050, the maximum part of the aggregate disposable earnings of an individual for any workweek which is subjected to garnishment may not exceed the lesser of either:

(a) Twenty-five percent of his disposable earnings for that week, or

(b) The amount by which his disposable earnings for that week exceed thirty times the federal minimum hourly wage prescribed by section 6 (a) (1) of the Fair Labor Standards Act of 1938 in effect at the time the earnings are payable. In the case of earnings for any pay period other than a week, the multiple of the federal minimum hourly wage equivalent to that set forth in paragraph (b) of this subsection as prescribed by regulation by the Federal Secretary of Labor shall apply.

(3) The restrictions of subsection (2) of this section do not apply in the case of:

(a) Any order of any court for the support of any person.

(b) Any order of any court of bankruptcy under chapter XIII of the Bankruptcy Act.

(c) Any debt due for any state or federal tax.

Section 2. KRS 427.030 is amended to read as follows:

The tools, not exceeding three hundred dollars in value, of any *person* [mechanic] necessary in his trade are exempt from levy under execution, attachment, distress for rent or fee-bill. One motor vehicle *not exceeding $2,500 in value* and its necessary accessories, including one spare tire, of a mechanic or other skilled artisan primarily engaged in the replacement, repair, or emergency servicing of essential mechanical, electrical or other equipment in general use, is exempt from execution, attachment, garnishment, distress warrant or fee-bill.

Section 3. KRS 427.040 is amended to read as follows:

The professional library, office equipment, instruments and furnishings of a minister, attorney, physician, surgeon, chiropractor, veterinarian, or dentist, necessary in the practice of such profession, and not exceeding one thousand dollars in value shall be exempt from execution, attachment, garnishment, distress warrant or fee-bill. In addition to the above exemption one motor vehicle *not exceeding $2,500 in value* with necessary accessories, including one spare tire shall be exempted.

Section 4. KRS 427.060 is amended to read as follows:

In addition to any exemption of personal property, land, including the dwelling house and appurtenances, not exceeding *three* [one] thousand dollars in value, owned by any [bona fide housekeeper with a family] resident in this state, is exempt from sale under execution, attachment or judgment, except to foreclose a mortgage given by the owner of a homestead or for purchase money due thereon. This exemption shall not apply if the debt or liability existed prior to the purchase of the land or the erection of the improvements thereon.

Section 5. KRS 427.080 is amended to read as follows:

(1) No sale under execution, attachment or judgment of land occupied as a homestead shall be had until the officer executing the writ or judgment has the part thereof selected by the defendant as his homestead exemption, not to exceed *three* [one] thousand dollars in value, valued under oath and set apart to him by two disinterested housekeepers of the county. These appraisers shall be selected by the court or officer, and if they disagree the officer making the sale shall act as umpire.

(2) The valuation shall be in writing and signed by the person making it and returned to the court. The officer shall refer to and explain the proceedings in his return on the execution, which shall be recorded in full.

Section 6. KRS 427.090 is amended to read as follows:

If the defendant in the execution, attachment or other action owns real property levied on or sought to be subjected to the payment of any debt or liability, which, in the opinion of the appraisers, is of greater value than *three* [one] thousand dollars and not divisible without great diminution in value, the property shall be sold and *three* [one] thousand dollars of the money arising from the sale paid to the defendant to enable him to purchase another homestead. The land shall not be sold for less than *three* [one] thousand dollars.

Section 7. KRS 379.080 is amended to read as follows:

(1) If the assignor reserves any of his property as exempt, the court shall appoint three competent and disinterested housekeepers, who, after being first duly sworn, shall set apart to the debtor the property exempt, and within ten days thereafter the assignee shall file a report thereon. Exceptions may be filed to the report by any person in interest but not later than the sixty days after the report has been filed. The court shall hear and dispose of any exceptions and if none are filed it shall confirm the report.

(2) If land is exempt, an order shall be entered directing the assignee to employ, if necessary, a competent surveyor to lay off by metes and bounds the homestead exemption as set apart by the appraisers. The court may, with the consent of the assignor, and if it appears best for the interest of the creditors, or if the land is not divisible without impairing its value, order the property sold and the value of the homestead, not exceeding *three* [one] thousand dollars, paid to the assignor.

SECTION 8. A NEW SECTION OF KRS CHAPTER 427 IS CREATED TO READ AS FOLLOWS:

Residents of this state are entitled to the exemptions provided in the Kentucky Revised Statutes, which are applicable in bankruptcy proceedings, and may not elect to choose, in lieu thereof, the federal exemptions, set forth in the federal bankruptcy reform act of 1978, section 522.

Section 9. Whereas, it is desirable that Kentucky residents be required to use only those exemptions set forth by Kentucky statute, an emergency is declared to exist, and this Act shall be effective immediately upon passage and approval by the governor.

The Committee Substitute to **SB 31** is as follows:

SB 31, AN ACT relating to exemptions of real and personal property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 427.010 is amended to read as follows:

(1) The following personal property of *an individual debtor* [a person] resident in this state is exempt from execution, attachment, garnishment, distress or fee-bill: All household furnishings, *jewelry,* personal clothing and ornaments not to exceed *$3,000* [$1,500] in value; tools, equipment and livestock, including poultry, of a person engaged in farming, not exceeding $1,500 in value; one motor vehicle and its necessary accessories, including one spare tire, not exceeding in the aggregate *$2,500* [$1,500] in value*; professionally prescribed health aids for the debtor, or a dependent of the debtor*[, of a person engaged in farming or of a person who uses such motor vehicle in his employment, or traveling to and from his place of employment].

(2) Except as provided in subsection (3) of this section and KRS 427.050, the maximum part of the aggregate disposable earnings of an individual for any workweek which is subjected to garnishment may not exceed the lesser of either:

(a) Twenty-five percent of his disposable earnings for that week, or

(b) The amount by which his disposable earnings for that week exceed thirty times the federal minimum hourly wage prescribed by section 6 (a) (1) of the Fair Labor Standards Act of 1938 in effect at the time the earnings are payable. In the case of earnings for any pay period other than a week, the multiple of the federal minimum hourly wage equivalent to that set forth in paragraph (b) of this subsection as prescribed by regulation by the Federal Secretary of Labor shall apply.

(3) The restrictions of subsection (2) of this section do not apply in the case of:

(a) Any order of any court for the support of any person.

(b) Any order of any court of bankruptcy under chapter *13* [XIII] of the Bankruptcy *Code* [Act].

(c) Any debt due for any state or federal tax.

Section 2. KRS 427.030 is amended to read as follows:

The tools, not exceeding three hundred dollars in value, of any *individual debtor* [mechanic] necessary in his trade are exempt from levy under execution, attachment, distress for rent or fee-bill. One motor vehicle *not exceeding $2,500 in value* and its necessary accessories, including one spare tire, of a mechanic or other skilled artisan primarily engaged in the replacement, repair, or emergency servicing of essential mechanical, electrical or other equipment in general use, is exempt from execution, attachment, garnishment, distress warrant or fee-bill.

Section 3. KRS 427.040 is amended to read as follows:

The professional library, office equipment, instruments and furnishings of a minister, attorney, physician, surgeon, chiropractor, veterinarian, or dentist, necessary in the practice of such profession, and not exceeding one thousand dollars in value shall be exempt from execution, attachment, garnishment, distress warrant or fee-bill. In addition to the above exemption one motor vehicle *not exceeding $2,500 in value* with necessary accessories, including one spare tire shall be exempted.

Section 4. KRS 427.060 is amended to read as follows:

In addition to any exemption of personal property, *an individual debtor's aggregate interest, not to exceed $5,000 in value, in real or personal property that such debtor or a dependent of such debtor uses as a permanent residence in this state, or in a burial plot for such debtor or a dependent of such debtor* [land, including the dwelling house and appurtenances, not exceeding one thousand dollars in value, owned by any bona fide housekeeper with a family resident in this state,] is exempt from sale under execution, attachment or judgment, except to foreclose a mortgage given by the owner of a homestead or for purchase money due thereon. This exemption shall not apply if the debt or liability existed prior to the purchase of the *property* [land] or the erection of the improvements thereon.

Section 5. KRS 427.080 is amended to read as follows:

(1) No sale under execution, attachment or judgment of *property* [land] occupied as a homestead shall be had until the officer executing the writ or judgment has the part thereof selected by the defendant as his homestead exemption, not to exceed *five* [one] thousand dollars in value, valued under oath and set apart to him by two disinterested housekeepers of the county. These appraisers shall be selected by the court or officer, and if they disagree the officer making the sale shall act as umpire.

(2) The valuation shall be in writing and signed by the person making it and returned to the court. The officer shall refer to and explain the proceedings in his return on the execution, which shall be recorded in full.

Section 6. KRS 427.090 is amended to read as follows:

If the defendant in the execution, attachment or other action owns [real] property levied on or sought to be subjected to the payment of any debt or liability, which, in the opinion of the appraisers, is of greater value than *five* [one] thousand dollars and not divisible without great diminution in value, the property shall be sold and *five* [one] thousand dollars of the money arising from the sale paid to the defendant to enable him to purchase another homestead. The *property* [land] shall not be sold for less than *five* [one] thousand dollars.

Section 7. KRS 379.080 is amended to read as follows:

(1) If the assignor reserves any of his property as exempt, the court shall appoint three competent and disinterested housekeepers, who, after being first duly sworn, shall set apart to the debtor the property exempt, and within ten days thereafter the assignee shall file a report thereon. Exceptions may be filed to the report by any person in interest but not later than the sixty days after the report has been filed. The court shall hear and dispose of any exceptions and if none are filed it shall confirm the report.

(2) If land is exempt, an order shall be entered directing the assignee to employ, if necessary, a competent surveyor to lay off by metes and bounds the homestead exemption as set apart by the appraisers. The court may, with the consent of the assignor, and if it appears best for the interest of the creditors, or if the land is not divisible without impairing its value, order the property sold and the value of the homestead, not exceeding *five* [one] thousand dollars, paid to the assignor.

SECTION 8. A NEW SECTION OF KRS CHAPTER 427 IS CREATED TO READ AS FOLLOWS:

(1) An individual is entitled to exemption of the following property to the extent reasonably necessary for the support of him and his dependents in addition to property totally exempt under subsection (2) of this section:

(a) Money or property received and rights to receive money or property for alimony, support, or separate maintenance; and

(b) Assets held, payments made, and amounts payable under a stock bonus, pension, profit-sharing, annuity, or similar plan or contract, providing benefits by reason of age, illness, disability, or length of service.

(2) An individual is entitled to exemption of the following property:

(a) An award under a crime victim's reparation law;

(b) A payment on account of the wrongful death of an individual of whom the debtor was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor;

(c) A payment, not to exceed $7,500, on account of personal bodily injury, not including pain and suffering or compensation for actual pecuniary loss, of the debtor or an individual of whom the debtor is a dependent;

(d) A payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor is or was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor; or

(e) Assets held, payments made and amounts payable under pensions exempt pursuant to KRS 61.690, 161.700, 427.120 and 427.125.

SECTION 9. A NEW SECTION OF KRS CHAPTER 427 IS CREATED TO READ AS FOLLOWS:

In addition to other exemptions provided in this Act every debtor shall have a general exemption not to exceed $1,000 in value to be applied toward any property, real or personal, tangible or intangible in his estate when he has filed for bankruptcy under the provisions of The Bankruptcy Code of 1978, 92 Stat. 2549 (1978), Public Law 95-598.

SECTION 10. A NEW SECTION OF KRS CHAPTER 427 IS CREATED TO READ AS FOLLOWS:

An individual debtor domiciled in this state is not authorized to exempt from property of said debtor's estate the property specified under subsection (d) of section 522 of The Bankruptcy Code of 1978, 92 Stat. 2549 (1978), Public Law 95-598.

Section 11. Whereas, it is desirable that Kentucky residents be required to use only those exemptions set forth by Kentucky statute, an emergency is declared to exist, and this Act shall be effective immediately upon passage and approval by the governor.

Calendar

SB 253, SB 285, SB 321, SB 153, HB 565, HB 806, HB 826, SB 114, SB 116, HB 108, HB 957, SB 56, SB 152, SB 243, SB 245, SB 293, SB 300, SB 333, SB 267, SB 277, SB 305, SB 124, SB 287, SB 339, SB 258, SB 193, SB 214, SB 340, HR 109, SB 257, SB 206, SB 237, SB 270, SB 302, SB 357, SB 17, SB 100, SB 213, SB 260, SB 266, HCR 126, SR 33, and **SR 48** taken from the Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 50, HB 144, HB 229, HB 233, HB 330, HB 375, HB 430, HB 467, HB 490, HB 513, HB 517, HB 540, HB 603, HB 663,** and **HJR 24** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 50, HB 144, HB 229, HB 233, HB 330, HB 375, HB 430, HB 467, HB 490, HB 513, HB 517, HB 540, HB 603, HB 663, and **HJR 24** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Representative B. Richardson moved that the rules be suspended to report and act upon a Resolution. Agreed.

Representative Wilborn moved the adoption of the following **HR 129.**

HR 129, A RESOLUTION honoring Edward F. Prichard, Jr. for his service to the Kentucky Council on Higher Education.

WHEREAS, Edward F. Prichard, Jr., one of the most distinguished sons of the Commonwealth of Kentucky, has served the public interest with distinction and honor as a member of the Council on Higher Education for thirteen years, 1966 to 1971 and 1972 to 1980; and

WHEREAS, Mr. Prichard has continuously provided quiet, unrelenting leadership to the Council as its vice-chairman since he was first elected to that post in 1972, having continually refused nomination to serve as the Council's chairman; and

WHEREAS, Mr. Prichard, because of his leadership, his love of Kentucky, his dedication to the ideals of education, and his honest and forceful and keen intellect, has been the primary element in the evolution of the Council into an effective coordinator of the Commonwealth's system of higher education; and

WHEREAS, Mr. Prichard has served higher education so well so long while enduring health problems that would have deterred from public service any person with less humor, faith, inner strength, resolve, or interest in the welfare of fellow man, and, although without sight, has more vision than most; and

WHEREAS, Mr. Prichard, for decades preceding and during his service to Kentucky higher education, has selflessly given his wise counsel and considerable expertise and advice to legislators, governors, and administrators of many governmental agencies; and

WHEREAS, Mr. Prichard has been and will continue to be a towering figure among those who serve Kentucky, one of the great human resources of the Commonwealth, a man respected and loved by all who have had the privilege to know and labor with him;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That on the 25th day of March, 1980, this body recognizes and commends Edward F. Prichard, Jr. for his outstanding service to the Council on Higher Education, to Kentucky's higher education community, to the Commonwealth, and to its citizens upon the occasion of his resigning from the Council and his appointment to the Kentucky Board of Tax Appeals.

Section 2. That this House looks forward to Edward F. Prichard, Jr., continuing to contribute his talents and capacity for improving our great Commonwealth for many years to come.

Section 3. That the Clerk of the House be directed to forward a copy of this resolution to Edward F. Prichard, Jr.

On the roll call the vote was yeas 84-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Yates. Nays 0.

HR 129 was adopted and the title agreed to.

Representative Wilborn moved that the vote by which **HR 129** was adopted be reconsidered and said motion be postponed indefinitely. Agreed.

A Discharge Petition was filed on **SB 282.**

Recess

Representative B. Richardson moved that the House recess for fifteen minutes for a meeting of the Committee Chairmen.

On the roll call the vote was yeas 40-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Bronger, Brown, Bruce, Cawood, Craddock, Crupper, Curd, Cyrus, Farrow, Foster, Gray, Head, Isler, Kidd, Little, Mann, May, McBee, Moberly, Nett, Noe, Rapier, Riner, Sale, Smith, Stone, Thomason, Turner, Van Horn, Wilborn, Worthington, Wright, Yates. Nays 13-Caldwell, Davenport, Dawahare, Freibert, Guenthner, Hines, Holbrook, Holloway, List, Overstreet, Plummer, Rattliff, Schmidt.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

HB 931, with Committee Substitute and Floor Amendments attached thereto, taken from orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Substitute to **HB 931.** Agreed.

Representative Clarke moved that **HB 931,** by way of Committee Substitute, be passed.

Representative Wilborn moved the adoption of the Floor Amendment No. 8 to the Committee Substitute to **HB 931.**

On the roll call the vote was yeas 67-Allen, Arnold, Barrows, Bendl, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Cyrus, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Rapier, Rattliff, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Tobin, Weinberg, Wilborn, Williams, Yates. Nays 5-Adams, Davenport, DeFalaise, Hancock, Van Horn.

Floor Amendment No. 8 to the Committee Substitute to **HB 931** was adopted.

Representative Dawahare moved the adoption of the Floor Amendment No. 16 to the Committee Substitute to **HB 931.**

On the roll call the vote was yeas 32-Bennett, Blandford, Blythe, Boswell, Brinkley, Brown, Clark, Cyrus, Dawahare, DeMarcus, Gray, Isler, Kenton, Kidd, Lewis, Little, Lundergan, May, Noe, Overstreet, Patrick, Reynolds, Richards, B. Richardson, Riner, Robinson, Stone, Van Horn, Weinberg, Wilborn, Williams, Wright. Nays 32-Adams, Allen, Barrows, Bendl, Blair, Bronger, Bruce, Caldwell, Clarke, Craddock, Curd, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Haering, Hancock, Head, List, McNutt, Moberly, Morris, Nett, O'Brien, Pearman, Petty, Rapier, Rattliff, Sale, Schmidt.

Floor Amendment No. 16 to the Committee Substitute to **HB 931** was rejected.

Representative Schmidt moved the adoption of the Floor Amendment No. 6 to the Committee Substitute to **HB 931.**

On the roll call the vote was yeas 41-Allen, Blair, Blythe, Caldwell, Clark, Clarke, Cyrus, Davenport, Dawahare, DeMarcus, Farrow, Freibert, Fryman, Guenthner, Haering, Head, Heleringer, Holbrook, Holloway, Johnson, LeMaster, Lewis, Mann, McKinney, McNutt, Patrick, Pearman, Petty, Rapier, Rattliff, Reynolds, Riner, Robinson, Schmidt, Smith, Van Horn, Weinberg, Wilborn, Williams, Wright, Yates. Nays 42-Adams, Barrows, Bendl, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Cawood, Clapp, Craddock, Curd, Deskins, Donnermeyer, Dunn, Ellington, Foster, Gray, Hancock, Hines, Isler, Jones, Kenton, Kidd, List, Little, Lundergan, May, Maynard, Moberly, Morris, Nett, Noe, O'Brien, Richards, B. Richardson, P. Richardson, Sale, Stone, Thomas, Tobin.

Floor Amendment No. 6 to the Committee Substitute to **HB 931** was rejected.

Representative Bennett moved the adoption of the Floor Amendment No. 3 to the Committee Substitute to **HB 931.**

On the roll call the vote was yeas 54-Adams, Allen, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Burnette, Cawood, Clark, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Gray, Guenthner, Haering, Heleringer, Hines, Holloway, Kenton, Kidd, Layman, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, Nett, O'Brien, Overstreet, Patrick, Pearman, Priddy, Rattliff, Reynolds, Riner, Romines, Smith, Stone, Thomas, Turner, Van Horn, Weinberg, Williams, Wright, Yates. Nays 33-Arnold, Barrows, Blair, Bruce, Caldwell, Clarke, Craddock, Crupper, Curd, DeFalaise, DeMarcus, Ellington, Farrow, Foster, Freibert, Fryman, Hancock, Head, Holbrook, Isler, Jones, McNutt, Moberly, Morris, Petty, Richards, P. Richardson, Robinson, Sale, Schmidt, Tobin, Wilborn, Worthington.

Floor Amendment No. 3 to the Committee Substitute to **HB 931** was adopted.

Representative LeMaster moved the adoption of the Floor Amendment No. 10 to the Committee Substitute to **HB 931.**

Representative Clarke inquired as to whether Floor Amendment No. 10 was germane.

The Speaker ruled Floor Amendment No. 10 was germane.

On the roll call the vote was yeas 62-Allen, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Gray, Guenthner, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Nett, Noe, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Reynolds, P. Richardson, Riner, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, White, Williams, Wright. Nays 18-Adams, Barrows, Blair, Bruce, Clarke, DeMarcus, Farrow, Foster, Fryman, Haering, Hancock, Jones, Layman, Plummer, Richards, B. Richardson, Thomason, Weinberg.

Floor Amendment No. 10 to **HB 931** was adopted.

Representative Noe moved the adoption of the Floor Amendment No. 5 to the Committee Substitute to **HB 931.**

On the roll call the vote was yeas 31-Allen, Barrows, Blair, Blythe, Brinkley, Caldwell, Cawood, Cyrus, Dawahare, Deskins, Gray, Head, Heleringer, Lewis, Little, May, McKinney, Noe, Overstreet, Patrick, Plummer, Reynolds, Riner, Robinson, Smith, Stone, Stumbo, Van Horn, Weinberg, White, Williams. Nays 51-Adams, Arnold, Bendl, Blandford, Bronger, Bruce, Burch, Clark, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Dunn, Ellington, Farrow, Foster, Freibert, Haering, Hancock, Isler, Johnson, Jones, Kenton, LeMaster, List, Lundergan, Mann, Maynard, McNutt, Moberly, Morris, Nett, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Sale, Thomas, Thomason, Tobin, Turner, Wilborn, Wright, Yates.

Floor Amendment No. 5 to the Committee Substitute to **HB 931** was rejected.

Representative McNutt moved the adoption of the Floor Amendment No. 7 to the Committee Substitute to **HB 931.**

On the roll call the vote was yeas 86-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Rattliff, Reynolds, B. Richardson, P. Richardson, Riner, Robinson, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Weinberg, White, Wilborn, Wright, Yates. Nays 6-Bennett, Lewis, Richards, Turner, Van Horn, Williams.

Floor Amendment No. 7 to the Committee Substitute to **HB 931** was adopted.

Representative Dawahare moved the adoption of the Floor Amendment No. 9 to the Committee Substitute to **HB 931.**

On the roll call the vote was yeas 39-Allen, Blair, Blythe, Brown, Burnette, Caldwell, Cawood, Clark, Cyrus, Dawahare, Deskins, Gray, Head, Heleringer, Johnson, Jones, Kidd, Layman, Lewis, Little, May, McKinney, Noe, Overstreet, Patrick, Petty, Plummer, Reynolds, Riner, Robinson, Stone, Stumbo, Turner, Van Horn, Weinberg, White, Williams, Wright, Yates. Nays 45-Adams, Barrows, Bendl, Blandford, Boswell, Bronger, Bruce, Burch, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Hancock, Holloway, Isler, Kenton, LeMaster, List, Maynard, McBee, McNutt, Moberly, Morris, Nett, O'Brien, Pearman, Rapier, Rattliff, B. Richardson, Sale, Schmidt, Smith, Thomas, Thomason, Wilborn.

Floor Amendment No. 9 to the Committee Substitute to **HB 931** was rejected.

Representative Stumbo moved the adoption of the Floor Amendment No. 14 to the Committee Substitute to **HB 931.**

On the roll call the vote was yeas 55-Allen, Bennett, Blandford, Blythe, Boswell, Bronger, Brown, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Gray, Haering, Heleringer, Holbrook, Layman, Lewis, Little, May, Maynard, McBee, McKinney, Moberly, Nett, Noe, Patrick, Petty, Plummer, Rapier, Rattliff, Reynolds, Riner, Robinson, Romines, Sale, Schmidt, Stone, Stumbo, Thomas, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright. Nays 23-Adams, Barrows, Bendl, Blair, Clarke, Craddock, DeMarcus, Ellington, Foster, Freibert, Holloway, Isler, Jones, List, Mann, McNutt, Morris, Pearman, B. Richardson, P. Richardson, Thomason, Tobin, Turner.

Floor Amendment No. 14 to the Committee Substitute to **HB 931** was adopted.

Representative Barrows moved the vote on Floor Amendment No. 16 to the Committee Substitute to **HB 931** be reconsidered.

On the roll call the vote was yeas 51-Allen, Arnold, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Cawood, Clark, Cyrus, Dawahare, Deskins, Donnermeyer, Gray, Head, Heleringer, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, Mann, May, McBee, McKinney, McNutt, Noe, Overstreet, Patrick, Petty, Plummer, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Stone, Stumbo, Thomas, Tobin, Van Horn, Weinberg, White, Wilborn, Wright. Nays 28-Adams, Bendl, Bruce, Caldwell, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Dunn, Ellington, Farrow, Foster, Freibert, Haering, Holbrook, Holloway, Isler, List, Moberly, Morris, Pearman, Sale, Schmidt, Thomason, Turner.

The motion that the vote of Floor Amendment No. 16 to the Committee Substitute to **HB 931** be reconsidered was adopted.

Representative Dawahare moved the adoption of the Floor Amendment No. 16 to the Committee Substitute to **HB 931.**

On the roll call the vote was yeas 53-Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Cawood, Clark, Crupper, Cyrus, Dawahare, Deskins, Dunn, Ellington, Gray, Head, Heleringer, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, May, McBee, Noe, Overstreet, Patrick, Plummer, Priddy, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Smith, Stone, Stumbo, Tobin, Van Horn, Weinberg, White, Williams, Wright. Nays 33-Adams, Allen, Bendl, Bruce, Caldwell, Clarke, Craddock, Curd, Davenport, DeFalaise, DeMarcus, Farrow, Foster, Freibert, Hancock, Hines, Holbrook, Holloway, Isler, List, McNutt, Moberly, Morris, Nett, O'Brien, Pearman, Petty, Rapier, Rattliff, Sale, Schmidt, Thomason, Turner.

Floor Amendment No. 16 to the Committee Substitute to **HB 931** was adopted.

Representative Barrows moved that the vote of Floor Amendment No. 6 to the Committee Substitute to **HB 931** be reconsidered.

On the roll call the vote was yeas 45-Allen, Barrows, Blair, Blythe, Bronger, Burch, Burnette, Caldwell, Clark, Clarke, Davenport, DeFalaise, DeMarcus, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Heleringer, Holbrook, Holloway, Johnson, Layman, Lewis, List, McKinney, O'Brien, Overstreet, Patrick, Plummer, Rattliff, Riner, Robinson, Schmidt, Smith, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright. Nays 45-Adams, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bruce, Cawood, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Gray, Hines, Isler, Jones, Kenton, Kidd, LeMaster, Little, Lundergan, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Stone, Thomas, Tobin, Yates.

The motion that the vote on Floor Amendment No. 6 to the Committee Substitute to **HB 931** be reconsidered was rejected.

Representative Hancock moved the adoption of the Floor Amendment No. 19 to the Committee Substitute to **HB 931.**

On the roll call the vote was yeas 29-Arnold, Barrows, Bennett, Blythe, Brinkley, Bruce, Burch, Clark, Crupper, Cyrus, Dawahare, Farrow, Gray, Hancock, Head, Little, Lundergan, Mann, Maynard, Moberly, Noe, Patrick, Petty, Rapier, Richards, P. Richardson, Stone, Thomas, Van Horn. Nays 50-Adams, Allen, Bendl, Blair, Blandford, Boswell, Bronger, Caldwell, Clapp, Clarke, Craddock, Curd, Davenport, DeFalaise, DeMarcus, Deskins, Dunn, Ellington, Foster, Freibert, Fryman, Haering, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, Lewis, O'Brien, Overstreet, Pearman, Plummer, Rattliff, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stumbo, Thomason, Tobin, Turner, Weinberg, Wilborn, Wright.

Floor Amendment No. 19 to the Committee Substitute to **HB 931** was rejected.

Representative B. Richardson moved that **HB 931,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 85-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van

Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 14-Allen, Blair, Burnette, Caldwell, Freibert, Fryman, Haering, Heleringer, Lewis, Patrick, Rattliff, Schmidt, Turner, Wright.

HB 931, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 931,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Tobin moved that the rules be suspended to allow the Lady Cardinal Gymnastic Team and their coach, Ms. Carole Liedtke, the privilege of the floor. Agreed.

Representative Tobin moved the adoption of the following Legislative Citation No. 80:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the University of Louisville Lady Cardinal Gymnastic Team and your Coach, Ms. Carole Liedtke, on winning the AIAW Southern Regional Championship, Friday, March 21, 1980, at Johnson City, Tennessee. You excellent 1979-80 record of 10-2 reflects hard work and self-sacrifice. We commend you for your accomplishments—KWIC State Champions; first in the Windy City Open and ranked sixth in the nation. This body applauds you and we extend our very best wishes for success at the Association of Intercollegiate Athletics for Woman National Gymnastics Championships at Louisiana State University in Baton Rouge on April 4-6, 1980. (Sponsored by Representative Tobin)

Agreed.

HB 821, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McBee moved the adoption of the Committee Substitute to **HB 821.** Agreed.

Representative McBee moved that **HB 821,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 69-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clapp, Clark, Craddock, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Mann, May, McBee, McNutt, Moberly, O'Brien, Overstreet, Pearman, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Wilborn, Worthington, Yates. Nays 12-Barrows, Clarke, Farrow, Fryman, List, Morris, Noe, Reynolds, Riner, Smith, Tobin, Weinberg.

HB 821, by way of Committee Substitute, was passed and the title agreed to.

Representative McBee moved that the vote by which **HB 821,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that **HB 489** be recommitted to the Committee on Judiciary. Agreed.

HJR 121, with Committee Amendment and Floor Title Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative DeMarcus moved the adoption of the Committee Amendment No. 1 to **HJR 121.** Agreed.

Representative DeMarcus moved that **HJR 121,** as amended, be passed.

On the roll call the vote was yeas 36-Adams, Bendl, Blythe, Caldwell, Clarke, Davenport, DeFalaise, DeMarcus, Ellington, Foster, Gray, Head, Heleringer, Hines, Johnson, Jones, Kenton, List, McKinney, McNutt, Nett, O'Brien, Patrick, Plummer, Rattliff, Reynolds, Richards, B. Richardson, Riner, Robinson, Sale, Schmidt, Stone, Thomason, White, Worthington. Nays 51-Allen, Barrows, Bennett, Blandford, Boswell, Brinkley, Brown, Burch, Burnette. Cawood, Clapp, Craddock, Crupper, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Guenthner, Haering, Holbrook, Holloway, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, Moberly, Morris, Noe, Pearman, Petty, Priddy, Rapier, P. Richardson, Romines, Smith, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Wright, Yates.

HJR 121, as amended, was defeated.

Representative Williams moved that the rules be suspended to allow the University of Louisville Cardinals, Coach Denny Crum and staff the privilege of the floor. Agreed.

Representative Williams moved that the rules be suspended for report and act upon a Resolution and Citation. Agreed.

Representative Williams moved the adoption of the following Legislative Citation No. 81:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Basketball National Champions, the University of Louisville Cardinals, Coach Denny Crum and staff for a most outstanding achievement of winning the NCAA Championship at Indianapolis, Indiana, March 24, 1980. You have proven that great success can be attained through dedication, personal sacrifice, perseverance and a spirit of cooperation. May the admirable reputation that you have made be sustained through the years with ultimate appreciation and commendation. You have thrilled and excited Kentucky basketball fans throughout the nation. We salute you for your high level of performance and extend to you our best wishes for continued success. (Sponsored by Representative Wright)

On the roll call the vote was yeas 96-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

Legislative Citation No. 81 was adopted.

Introduction of Resolution

HR 130, by Wright, Hines, Cyrus, Haering, Heleringer, Moberly, Noe, Smith, O'Brien, Priddy, Maynard, Bennett, Mann, Clark, Burch, Romines, Yates, Bronger, Holloway, Davenport, Dunn, Riner, Nett, Kidd, and Williams: A RESOLUTION to adjourn this day in honor of the 1980 NCAA College Basketball Champions—The University of Louisville Cardinals.

Representative Williams moved the adoption of the following **HR 130:**

HR 130, A RESOLUTION to adjourn this day in honor of the 1980 NCAA College Basketball Champions — The University of Louisville Cardinals.

WHEREAS, the fighting Cardinals of the University of Louisville have defeated the UCLA Bruins to win the 1980 NCAA College Basketball Championship and thereby become apotheosized as the cynosure of college basketball; and

WHEREAS, in achieving this lofty plateau, the Cardinals were the winningest team in college basketball, running up 33 wins against only 3 losses; and

WHEREAS, the Cardinals in demonstrating that they are the Number 1 team in college basketball have also shown that they are as talented and disciplined a group of ballplayers as have ever come out of Kentucky and have been a great source of pride to all Kentuckians; and

WHEREAS, it is difficult to single out any one player on this great team because they are in the finest sense of the word a "team," special note must be made of senior consensus All-American guard Darrell Griffith who has delighted and awed the fans and who served so admirably as the leader of the team; and

WHEREAS, finally, plaudits must be given to Coach Denny Crum, who has molded this young Cardinal team into the best team in the nation and shown that he is the top coach in the nation;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That when the House of Representatives adjourns this day, it does so in honor of the University of Louisville Cardinals — the 1980 NCAA College Basketball Champions.

Section 2. That in addition to adjourning in honor of the Cardinals, this House expresses its heartfelt congratulations to the Cardinals for their well-deserved victory.

Section 3. That the Clerk of the House be directed to deliver copies of this resolution to Coach Denny Crum and each player on the team.

On the roll call the vote was yeas 97-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HR 130 was adopted and the title agreed to.

Representative Williams moved the adoption of the following Legislative Citation No. 63:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the University of Louisville Cardinal Basketball Team, Coach Denny Crum and staff, for the outstanding achievement of winning the NCAA Midwest Reginal Championship. The remarkable accomplishments of winning thirty-one games this year (and hopefully thirty-three before the season ends) with such a youthful squad has astounded even your most ardent supporters. Certainly, you have more than upheld the tradition of the Louisville Cardinal Teams which have compiled an enviable record over Coach Crum's tenure - a season average of twenty-two games won for nine years. To Coach Crum, staff and players, we extend our best wishes for success in the pursuit of your ultimate goal of winning the NCAA Championship. (Sponsored by Representative Hines)

Agreed.

Orders of the Day (continued)

Representative B. Richardson moved that the rules be suspended to take **HB 532** from the Clerk's desk and place it in Orders of the Day. Agreed.

On the roll call the vote was yeas 59-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blythe, Brinkley, Bruce, Brunette, Caldwell, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Freiberg, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Jones, Kenton, Kidd, Layman, LeMaster, List, McBee, McKinney, McNutt, O'Brien, Overstreet, Plummer, Priddy, Rattliff, Reynolds, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, White, Wilborn, Yates. Nays 9-Cyrus, Deskins, Gray, Lewis, Little, Romines, Stumbo, Van Horn, Weinberg.

The motion that the rules be suspended to take **HB 532** from the Clerk's desk and place it in Orders of the Day was adopted.

HB 532, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that the rules be suspended to waive the time requirement for filing of amendments in regard to Floor Amendment No. 88. Agreed.

Representative Clapp moved the adoption of the Floor Amendment No. 58 to **HB 532.**

On the roll call the vote was yeas 54-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blythe, Bruce, Burnette, Caldwell, Clapp, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Heleringer, Holbrook, Holloway, Jones, Layman, List, May, McBee, McKinney, McNutt, Morris, O'Brien, Overstreet, Pearman, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Thomas, Thomason, Tobin, Turner, Wilborn. Nays 38-Bennett, Boswell, Brinkley, Bronger, Brown, Cawood, Clark, Clarke, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Gray, Head, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, Little, Mann, Moberly, Nett, Noe, Patrick, Priddy, Riner, Romines, Smith, Stone, Stumbo, Van Horn, Weinberg, White, Wright, Yates.

Floor Amendment No. 58 to **HB 532** was adopted.

Representative Clapp moved that **HB 532,** as amended, be passed.

Representative Gray moved the adoption of the Floor Amendment No. 59 to **HB 532.**

On the roll call the vote was yeas 49-Barrows, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Cawood, Clark, Clarke, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Gray, Haering, Head, Heleringer, Hines, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, Little, Mann, McKinney, Moberly, Nett, Noe, Overstreet, Patrick, Priddy, Reynolds, Riner, Romines, Smith, Stone, Stumbo, Thomason, Van Horn, Weinberg, White, Williams, Wright, Yates. Nays 41-Adams, Allen, Arnold, Blythe, Bruce, Burnette, Caldwell, Clapp, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Farrow, Foster, Freibert, Fryman, Guenthner, Hancock, Holbrook, Holloway, Jones, Layman, List, May, McNutt, Morris, O'Brien, Pearman, Plummer, Rapier, Rattliff, Richards, P. Richardson, Robinson, Sale, Schmidt, Tobin, Turner, Wilborn.

Floor Amendment No. 59 to **HB 532** was adopted.

Representative Cyrus moved the adoption of the Floor Amendment No. 88 to the Floor Amendment No. 59 of **HB 532.**

On the roll call the vote was yeas 57-Barrows, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Clarke, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Gray, Haering, Head, Heleringer, Hines, Isler, Johnson, Jones, Kenton, Kidd, Lewis, Little, Lundergan, Mann, May, McKinney, Moberly, Nett, Noe, Patrick, Petty, Priddy, Reynolds, Richards, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Williams, Wright, Yates. Nays 32-Adams, Allen, Blythe, Bruce, Burnette, Clapp, Craddock, Crupper, Curd, DeFalaise, DeMarcus, Ellington, Foster, Freibert, Fryman, Guenthner, Holbrook, Holloway, Layman, LeMaster, List, McNutt, Morris, Pearman, Rapier, Rattliff, P. Richardson, Robinson, Schmidt, Tobin, Turner, Wilborn.

Floor Amendment No. 88 to Floor Amendment No. 59 to **HB 532** was adopted.

Representative Gray moved the adoption of the Floor Amendment No. 82 to **HB 532.**

On the roll call the vote was yeas 7-Blythe, Gray, Moberly, Romines, Stumbo, Van Horn, Williams. Nays 79-Adams, Allen, Arnold, Bendl, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, LeMaster, List, Little, Lundergan, May, McBee, McNutt, Morris, Nett, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Weinberg, White, Wilborn, Wright, Yates.

Floor Amendment No. 82 to **HB 532** was rejected.

Representative B. Richardson moved that **HB 532,** as amended, be passed.

On the roll call the vote was yeas 66-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Haering, Head, Heleringer, Hines, Isler, Johnson, Kenton, LeMaster, Lewis, Little, Mann, Maynard, McBee, Moberly, Morris, Nett, Noe, Overstreet, Pearman, Petty, Priddy, Rapier, Reynolds, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Wright, Yates. Nays 31-Adams, Allen, Blythe, Burnette, Davenport, DeFalaise, DeMarcus, Ellington, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Holbrook, Holloway, Jones, Layman, List, McKinney, McNutt, O'Brien, Patrick, Plummer, Rattliff, B. Richardson, Schmidt, Tobin, Turner, Weinberg, Wilborn.

HB 532, as amended, was passed and the title agreed to.

Representative Deskins moved that the vote by which **HB 532,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **SB 187, SB 330, HB 299** with Senate Amendments, **HB 439,** and **HB 612.**

Orders of the Day (continued)

Representative B. Richardson moved that the rules be suspended to allow the 3-day posting requirement to be waived on the following Bills:

Judiciary: **SB 363, SB 371.**

State Government: **SB 368, SB 376, SB 215, SB 229.**

Business Organizations and Profession: **SB 348.**

Natural Resources and Environment: **SB 315.**

Transportation: **SB 323.**

Elections and Constitutional Amendments: **SB 366.**

Agreed.

Recess

Representative B. Richardson moved that the House recess until 7:15 p.m.

On the roll call the vote was yeas 27-Arnold, Bendl, Boswell, Bruce, Crupper, Curd, Davenport, Freibert, Fryman, Gray, Hancock, Head, Isler, Kenton, Little, Moberly, O'Brien, Pearman, Petty, Priddy, Reynolds, Richards, B. Richardson, Sale, Stumbo, Thomason, Wilborn. Nays 7-Allen, DeFalaise, List, Overstreet, Robinson, Schmidt, Van Horn.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Senate Message

Announcing passage of **HB 24, HB 226, HB 232, HB 451, HB 550, HB 552, HB 562, HB 642, HB 683, HB 850, HJR 65, HB 469** with Senate Amendment, **HB 106** with Senate Amendments, **HB 450** with Senate Amendment, and **HB 206** with Senate Amendment.

Orders of the Day (continued)

HB 699, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Floor Amendment No. 1 to **HB 699.** Agreed.

Representative B. Richardson moved that **HB 699,** as amended, be passed.

On the roll call the vote was yeas 54-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Bronger, Burch, Caldwell, Cawood, Clark, Craddock, Curd, Davenport, Dawahare, Donnermeyer, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Hines, Kenton, Kidd, LeMaster, List, Little, McBee, McKinney, McNutt, Moberly, Noe, Petty, Plummer, Priddy, Rapier, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Tobin, Turner, Van Horn, White, Wilborn, Worthington, Yates. Nays 0.

HB 699, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 699,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 707, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Amendment No. 1 to **HB 707.** Agreed.

Representative White moved the adoption of the Floor Amendment No. 1 to **HB 707.**

Representative Farrow requested a ruling of the Chair as to whether Floor Amendment No. 1 was germane.

The Chair ruled Floor Amendment No. 1 was not germane.

Representative B. Richrdson moved that **HB 707,** as amended, be passed.

On the roll call the vote was yeas 42-Bendl, Bennett, Blandford, Boswell, Bronger, Burnette, Cawood, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Gray, Haering, Head, Hines, Kenton, Kidd, Lewis, Little, Lundergan, Mann, May, McBee, Morris, Patrick, Petty, Priddy, Rapier, Rattliff, B. Richardson, Riner, Romines, Stone, Thomas, Thomason, Turner, Van Horn, Wilborn, Williams, Wright, Yates. Nays 28-Arnold, Blair, Caldwell, Craddock, Davenport, DeFalaise, DeMarcus, Farrow, Foster, Freibert, Fryman, Guenthner, Isler, Layman, LeMaster, List, McKinney, McNutt, Moberly, O'Brien, Overstreet, Pearman, Plummer, Richardson, Robinson, Schmidt, Tobin, White.

HB 707, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 707,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 779, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bendl moved the adoption of the Committee Amendment No. 1 to **HB 779.** Agreed.

Representative Bendl moved the adoption of the Floor Amendment No. 1 to **HB 779.**

On the roll call the vote was yeas 44-Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Burch, Caldwell, Cawood, Craddock, Curd, Cyrus, DeFalaise, Deskins, Donnermeyer, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Isler, Kidd, LeMaster, List, Little, Lundergan, Mann, Moberly, Overstreet, Petty, Rapier, Robinson, Schmidt, Thomas, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Williams, Wright. Nays 10-Blair, Burnette, Clapp, Dawahare, Foster, Guenthner, Layman, Lewis, Plummer, Stumbo.

Floor Amendment No. 1 to **HB 779** was adopted.

Representative Bendl moved that **HB 779,** as amended, be passed.

Representative Riner moved the adoption of the Floor Amendment No. 2 to **HB 779.**

Representative Bendl requested a ruling of the Chair as to whether Floor Amendment No. 2 was germane.

The Chair ruled Floor Amendment No. 2 was not germane.

Speaker Pro Tempore Hancock presiding.

Representative Heleringer moved that **HB 779** be laid on the Clerk's desk.

On the roll call the vote was yeas 21-Allen, Boswell, Caldwell, Clark, Dawahare, Farrow, Fryman, Guenthner, Heleringer, Holbrook, Johnson, Lewis, Patrick, Pearman, Plummer, Riner, Robinson, Smith, Stumbo, Van Horn, Wright. Nays 42-Adams, Barrows, Bendl, Bennett, Blair, Blythe, Cawood, Craddock, Curd, Cyrus, Davenport, DeFalaise, Deskins, Foster, Freibert, Gray, Haering, Hancock, Head, Hines, Isler, Kidd, LeMaster, List, Little, Mann, May, Morris, Noe, Overstreet, Priddy, Rapier, Rattliff, B. Richardson, Romines, Stone, Thomas, Tobin, Weinberg, White, Wilborn, Williams.

The motion that **HB 779** be laid on the Clerk's desk was rejected.

Representative Bendl moved that **HB 779,** as amended, be passed.

On the roll call the vote was yeas 47-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brown, Cawood, Craddock, Cyrus, Donnermeyer, Dunn, Foster, Gray, Haering, Hancock, Head, Hines, Isler, Jones, Kidd, Layman, LeMaster, List, Little, Mann, May, McNutt, Moberly, Nett, Noe, Overstreet, Priddy, Rapier, Richards, B. Richardson, Smith, Stone, Thomas, Tobin, Van Horn, Weinberg, White, Wilborn, Williams. Nays 37-Allen, Blair, Bronger, Burnette, Caldwell, Clapp, Clark, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Ellington, Farrow, Freibert, Fryman, Guenthner, Holloway, Johnson, Lewis, Lundergan, McBee, Morris, O'Brien, Patrick, Pearman, Petty, Plummer, Rattliff, Riner, Robinson, Stumbo, Turner, Worthington, Wright, Yates.

HB 779, as amended, was passed and the title agreed to.

Representative Bendl moved that the vote by which **HB 779,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 107 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Little moved the adoption of **HCR 107.**

On the roll call the vote was yeas 62-Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kidd, Lewis, Little, Lundergan, McBee, McKinney, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, Williams, Wright. Nays 8-Allen, Blair, Burnette, Fryman, Layman, Plummer, Rattliff, Turner.

HCR 107 was adopted and the title agreed to.

Representative Little moved that the vote by which **HCR 107** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 675, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Little moved the adoption of the Committee Substitute to **HB 675.** Agreed.

Representative Little moved that **HB 675,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 78-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Caldwell, Cawood, Clark, Craddock, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HB 675, by way of Committee Substitute, was passed and the title agreed to.

Representative Little moved that the vote by which **HB 675** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 715 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cawood moved that **HB 715** be passed.

On the roll call the vote was yeas 63-Adams, Arnold, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Isler, Johnson, LeMaster, List, Lundergan, Mann, May, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Smith, Stone, Stumbo, Thomas, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright. Nays 7-Allen, Burnette, Layman, Overstreet, Plummer, Robinson, Turner.

HB 715 was passed and the title agreed to.

Representative Cawood moved that the vote by which **HB 715** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 733 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 733** be passed.

On the roll call the vote was yeas 45-Adams, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Clark, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Head, Hines, Isler, Kenton, LeMaster, Little, Lundergan, May, McBee, Morris, Nett, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Stone, Stumbo, Thomason, Turner, Van Horn, Williams. Nays 27-Blair, Burnette, Caldwell, Davenport, DeFalaise, Ellington, Freibert, Fryman, Guenthner, Holbrook, Holloway, Jones, Layman, Mann, Moberly, Overstreet, Patrick, Pearman, Plummer, Rattliff, Robinson, Schmidt, Thomas, Tobin, Weinberg, Wilborn, Wright.

HB 733 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 733** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 747, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Wilborn moved the adoption of the Committee Amendment No. 1 to **HB 747.** Agreed.

Representative Wilborn moved that **HB 747,** as amended, be passed.

On the roll call the vote was yeas 76-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Cawood, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Morris, Nett, O'Brien, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 4-Noe, Overstreet, Thomas, Tobin.

HB 747, as amended, was passed and the title agreed to.

Representative Wilborn moved that the vote by which **HB 747,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 763 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 763** be passed.

On the roll call the vote was yeas 86-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HB 763 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 763** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 802, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Van Horn moved the adoption of the Committee Amendment No. 1 to **HB 802.** Agreed.

Representative Van Horn moved that **HB 802,** as amended, be passed.

On the roll call the vote was yeas 63-Adams, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Cawood, Clark, Craddock, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Foster, Freibert, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, Jones, Kenton, Kidd, Lewis, Little, Lundergan, May, McBee, McKinney, Morris, Nett, O'Brien, Patrick, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, Riner, Robinson, Romines, Schmidt, Stone, Thomas, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 15-Allen, Arnold, Caldwell, Davenport, DeMarcus, Farrow, Fryman, Isler, Layman, McNutt, Moberly, Noe, Plummer, Stumbo, Turner.

HB 802, as amended, was passed and the title agreed to.

Representative Van Horn moved that the vote by which **HB 802,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Van Horn moved that the rules be suspended for the purpose of his making the motion that **SR 9** be taken from the Committee on Elections and Constitutional Amendments, given first reading today, second reading tomorrow, and placed in Orders of the Day for Thursday.

On the roll call the vote was yeas 48-Allen, Blair, Blythe, Boswell, Burnette, Caldwell, Cawood, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Ellington, Farrow, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Holbrook, Holloway, Layman, Lewis, McBee, McKinney, McNutt, Morris, Patrick, Pearman, Petty, Plummer, Rattliff, Riner, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, White, Williams, Yates. Nays 30-Adams, Barrows, Bendl, Bennett, Brinkley, Bronger, Clark, Craddock, Donnermeyer, Dunn, Foster, Hancock, Hines, Isler, Jones, Kenton, Kidd, LeMaster, Little, Mann, May, Moberly, Nett, Noe, Rapier, Richards, B. Richardson, Tobin, Weinberg, Wilborn.

The motion that the rules be suspended was rejected.

HB 823 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Johnson moved that **HB 823** be passed.

On the roll call the vote was yeas 65-Adams, Arnold, Barrows, Bennett, Blandford, Boswell, Bronger, Brown, Burnette, Caldwell, Clark, Cyrus, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, LeMaster, Lewis, List, Lundergan, Mann, May, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Richards, B. Richardson, P. Richarson, Riner, Robinson, Romines, Smith, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Worthington, Wright, Yates. Nays 21-Allen, Bendl, Blair, Blythe, Cawood, Craddock, Curd, Davenport, Farrow, Kenton, Layman, McNutt, Morris, Plummer, Rapier, Rattliff, Schmidt, Tobin, Weinberg, Wilborn, Williams.

HB 823 was passed and the title agreed to.

Representative Johnson moved that the vote by which **HB 823** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 833 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Tobin moved that **HB 833** be passed.

On the roll call the vote was yeas 77-Adams, Arnold, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, Layman, Lewis, Little, May, McBee, McKinney, McNutt, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 4-Moberly, Smith, Van Horn, White.

HB 833 was passed and the title agreed to.

Representative Tobin moved that the vote by which **HB 833** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 834 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Tobin moved that **HB 834** be passed.

On the roll call the vote was yeas 81-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, Lewis, List, Little, Lundergan, May, McBee, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 0.

HB 834 was passed and the title agreed to.

Representative Tobin moved that the vote by which **HB 834** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 842, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mann moved the adoption of the Committee Substitute to **HB 842.** Agreed.

Representative Mann moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 842.** Agreed.

Representative Mann moved that **HB 842,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 60-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Brinkley, Bronger, Brown, Caldwell, Cawood, Clark, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Foster, Fryman, Guenthner, Head, Hines, Holloway, Isler, Johnson, Kenton, Kidd, Little, Mann, May, McBee, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, Richards, P. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 8-Farrow, Freibert, Gray, Haering, Layman, List, Lundergan, Overstreet.

HB 842, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative Mann moved that the vote by which **HB 842,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 856, with Committee Substitute and Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bennett moved the adoption of the Committee Substitute to **HB 856.** Agreed.

Representative Bennett moved that **HB 856,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 68-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Guenthner, Haering, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, P. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Yates. Nays 7-DeMarcus, Ellington, Freibert, Heleringer, List, Tobin, Wilborn.

HB 856, by way of Committee Substitute, was passed.

Representative Bennett moved the adoption of the Committee Title Amendment No. 1 to **HB 856.** Agreed.

Representative Bennett moved that the vote by which **HB 856,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 859 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Nett moved that **HB 859** be passed.

On the roll call the vote was yeas 66-Adams, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Foster, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Nett, O'Brien, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 5-Caldwell, Freibert, List, Noe, Weinberg.

HB 859 was passed and the title agreed to.

Representative Nett moved that the vote by which **HB 859** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 860 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon it passage. Agreed by a majority of members elected.

Representative Nett moved that **HB 860** be passed.

On the roll call the vote was yeas 57-Adams, Arnold, Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Burnette, Clark, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Gray, Guenthner, Haering, Head, Holbrook, Holloway, Isler, Jones, Lemaster, Little, Lundergan, Mann, May, McBee, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Stone, Thomas, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 16-Barrows, Blythe, Caldwell, Cawood, Farrow, Freibert, Heleringer, Hines, Johnson, Hines, Kidd, List, McNutt, Moberly, Stumbo, Tobin, Wilborn.

HB 860 was passed and the title agreed to.

Representative Nett moved that the vote by which **HB 860** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 952, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Morris moved the adoption of the Committee Amendment No. 1 to **HB 952.** Agreed.

Representative Morris moved that **HB 952,** as amended, be passed.

On the roll call the vote was yeas 30-Adams, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Burnette, Clark, Craddock, Dawahare, DeFalaise, Deskins, Foster, Freibert, Kidd, List, Lundergan, May, Morris, O'Brien, Pearman, Richards, B. Richardson, Riner, Stone, Stumbo, Turner, Van Horn, Williams. Nays 36-Barrows, Blythe, Bronger, Caldwell, Cawood, Curd, Cyrus, Davenport, Donnermeyer, Dunn, Farrow, Fryman, Gray, Haering, Head, Holbrook, Holloway, Isler, Jones, Mann, McBee, McNutt, Moberly, Noe, Overstreet, Petty, Rapier, Rattliff, Smith, Thomas, Thomason, Tobin, Weinberg, White, Wilborn, Yates.

HB 952, as amended, was defeated.

Representative B. Richardson moved that consideration of **HB 249** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 374, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **HB 374** be passed.

Representative Blythe moved the adoption of the Floor Amendment No. 1 to **HB 374.**

On the roll call the vote was yeas 62-Arnold, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Burnette, Caldwell, Cawood, Clark, Craddock, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Heleringer, Holbrook, Holloway, Isler, Little, Lundergan, May, McBee, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Rattliff, B. Richardson, P. Richardson, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 12-Adams, Curd, Head, Johnson, Kenton, McNutt, Moberly, Rapier, Richards, Riner, Tobin, Wilborn.

Floor Amendment No. 1 to **HB 374** was adopted.

Representative Richards moved that **HB 374,** as amended, be passed.

On the roll call the vote was yeas 65-Adams, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Farrow, Freibert, Gray, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Pearman, Petty, Priddy, Rapier, Richards, Riner, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 10-Arnold, DeFalaise, DeMarcus, Foster, Haering, Hancock, Overstreet, Rattliff, P. Richardson, Worthington.

HB 374, as amended, was passed and the title agreed to.

Representative Richards moved that the vote by which **HB 374,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 426, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed.

Representative Pearman moved the adoption of the Committee Substitute to **HB 426.** Agreed.

Representative Pearman moved that **HB 426,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 43-Adams, Arnold, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Clark, Craddock, Curd, Dawahare, Donnermeyer, Farrow, Foster, Gray, Head, Hines, Isler, Kidd, List, Little, Lundergan, May, McBee, McNutt, Morris, O'Brien, Pearman, Priddy, Rapier, Richards, B. Richardson, Romines, Smith, Stone, Thomas, Tobin, Turner, Van Horn, Wilborn, Williams, Yates. Nays 14-Barrows, Bendl, Blair, Caldwell, DeFalaise, Deskins, Guenthner, Holbrook, LeMaster, Overstreet, Riner, Schmidt, White, Worthington.

HB 426, by way of Committee Substitute, was passed and the title agreed to.

Representative Pearman moved that the vote by which **HB 426,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 559 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Deskins moved that the **HB 559** be passed.

Representative Kidd moved that **HB 559** be laid on the Clerk's desk.

Representative Kidd moved that her motion that **HB 559** be laid on the Clerk's desk be withdrawn. Agreed.

On the roll call the vote was yeas 59-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Cawood, Clark, Craddock, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Hancock, Heleringer, Hines, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Little, Lundergan, Mann, McBee, Moberly, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Stone, Stumbo, Thomas, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 19-Allen, Burnette, Caldwell, Curd, DeFalaise, Freibert, Fryman, Haering, Head, Holbrook, Layman, List, McNutt, Patrick, Plummer, Rattliff, Schmidt, Thomason, Tobin.

HB 559 was passed and the title agreed to.

Representative Deskins moved that the vote by which **HB 559** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Speaker Kenton presiding.

HB 251, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved the adoption of the Committee Amendment No. 1 to **HB 251.** Agreed.

Representative Hancock moved that **HB 251,** as amended, be passed.

On the roll call the vote was yeas 63-Adams, Arnold, Barrow, Bendl, Blandford, Blythe, Boswell, Brinkley, Bronger, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, May, McBee, Morris, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Stone, Stumbo, Thomason, Turner, Van Horn, White, Wilborn, Williams, Yates. Nays 8-Blair, Deskins, Dunn, Mann, Noe, Smith, Thomas, Tobin.

HB 251, as amended, was passed and the title agreed to.

Representative Hancock moved that the vote by which **HB 251,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 592 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Jones moved that **HB 592** be passed.

On the roll call the vote was yeas 36-Barrows, Bendl, Cawood, Craddock, Cyrus, DeFalaise, Gray, Guenthner, Hancock, Heleringer, Hines, Jones, Kidd, LeMaster, List, Little, Lundergan, Mann, McBee, McNutt, Moberly, Morris, Noe, Overstreet, Pearman, Petty, Priddy, Romines, Schmidt, Smith, Thomas, Tobin, Turner, Weinberg, Wilborn, Williams. Nays 46-Adams, Allen, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burnette, Caldwell, Clark, Curd, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Fryman, Haering, Head, Holbrook, Holloway, Isler, Johnson, Kenton, Layman, Lewis, O'Brien, Patrick, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Stone, Stumbo, Thomason, Van Horn, White, Yates.

HB 592 was defeated.

HB 793, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Amendment No. 1 to **HB 793.** Agreed.

Representative B. Richardson moved that **HB 793,** as amended, be passed.

On the roll call the vote was yeas 79-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burnette, Caldwell, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 1-Allen.

HB 793, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 793,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 974, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Substitute to **HB 974.** Agreed.

Representative B. Richardson moved that **HB 974,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 69-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clapp, Clark, Craddock, Curd, Cyrus, Davenport, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, May, Morris, Noe, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 0.

HB 974, by way of Committee Substitute, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 974,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 21, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Worthington moved the adoption of the Committee Amendment No. 1 to **HR 21.** Agreed.

Representative Worthington moved that **HR 21,** as amended, be passed.

On the roll call the vote was yeas 60-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Cawood, Clark, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Gray, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Morris, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 8-Caldwell, DeFalaise, Freibert, Haering, Layman, Patrick, Rattliff, Turner.

HR 21 was passed and the title agreed to.

Representative Worthington moved that the vote by which **HR 21** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 117 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Patrick moved the adoption of **HR 117.**

On the roll call the vote was yeas 66-Adams, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Caldwell, Cawood, Clark, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, Layman, Lewis, Little, Lundergan, Mann, McBee, McNutt, Moberly, Morris, Nett, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 4-Craddock, Haering, LeMaster, List.

HR 117 was adopted and the title agreed to.

Representative B. Richardson moved that the vote by which **HR 117** was adopted be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 84 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Weinberg moved the adoption of **HCR 84.**

On the roll call the vote was yeas 66-Arnold, Barrows, Bendl, Bennett, Blair, Boswell, Bronger, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, Moberly, Morris, Nett, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 2-Pearman, Rattliff.

HCR 84 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HCR 84** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 108 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cawood moved that **HCR 108** be passed.

On the roll call the vote was yeas 64-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Little, Lundergan, Mann, May, McBee, Moberly, Nett, Noe, Pearman, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 1-Rattliff.

HCR 108 was passed and the title agreed to.

Representative Cawood moved that the vote by which **HCR 108** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 514, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Wilborn moved the adoption of the Committee Substitute to **HB 514.** Agreed.

Representative Wilborn moved that **HB 514,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 74-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington. Nays 1-Barrows.

HB 514, by way of Committee Substitute, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 514,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 777, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Speaker Pro Tempore Hancock presiding.

Representative Richards moved the adoption of the Committee Amendment No. 1 to **HB 777.** Agreed.

Representative Richards moved that **HB 777,** as amended, be passed.

On the roll call the vote was yeas 72-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, Layman, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams. Nays 0.

HB 777, as amended, was passed and the title agreed to.

Representative Richards moved that the vote by which **HB 777,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 96 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved the adoption of **HR 96.**

On the roll call the vote was yeas 74-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington. Nays 0.

HR 96 was passed and the title agreed to.

HB 597, with Committee Amendment attached thereto, taken from Consent orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Amendment No. 1 to **HB 597.** Agreed.

On the roll call the vote was yeas 63-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford. Boswell, Brinkley, Bronger, Caldwell, Cawood, Clark, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, McNutt, Moberly, Morris, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington. Nays 0.

HB 597, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 597,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 954 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon it passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HB 954** be passed.

On the roll call the vote was yeas 58-Adams, Arnold, Barrows, Bennett, Blair, Blandford, Boswell, Bronger, Caldwell, Clark, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Guenthner, Head, Heleringer, Holbrook, Isler, Jones, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, Morris, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington. Nays 9-Bendl, Cawood, DeFalaise, Freibert, Haering, Plummer, Schmidt, Tobin, Wilborn.

HB 954, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 954** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 118 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richards moved that **HR 118** be passed.

On the roll call the vote was yeas 68-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, McNutt, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington. Nays 0.

HR 118 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HR 118** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that all Bills and Resolutions remaining in Orders of the Day be deferred and that they retain their position. Agreed.

Motions, Petitions, and Communications

Representative Bennett moved that the rules be suspended for the purpose of reporting and acting upon a Resolution. Agreed.

Representative Bennett moved the adoption of the following **HR 128:**

HR 128, A RESOLUTION directing the Kentucky Department of Agriculture to conduct a study on ginseng.

WHEREAS, the federal Endangered Species Scientific Authority (ESSA) on August 15, 1979, granted only conditional authority for one year for Kentucky diggers of American ginseng to continue the exportation of ginseng; and

WHEREAS, the conditional authority to export ginseng was conditioned upon action by the 1980 Kentucky General Assembly bringing Kentucky's management program and regulatory mechanisms to promote the conservation of American ginseng into compliance with the requirements of the federal law and regulations; and

WHEREAS, the Kentucky Department of Agriculture, the U.K. College of Agriculture, and the Governor's Council on Agriculture have been operating an interim program to assist in the promotion, production, and conservation of American ginseng; and

WHEREAS, about $3,000,000 worth of ginseng is exported annually from Kentucky, and it is important to the state's economy to continue the exportation of ginseng;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky Department of Agriculture is directed to study the industry of harvesting American ginseng, including its exportation, in the Commonwealth.

Section 2. That the Department of Agriculture is directed to study the feasibility and practicality of the Commonwealth fulfilling the requirements of the federal government in relation to the establishment of a permanent management program and a regulatory mechanism for conserving and promoting ginseng.

Section 3. That the Department of Agriculture obtain the assistance of the U.K. College of Agriculture in conducting this study, with the department reimbursing the college for its expenses; and that the Governor's Council on Agriculture assist in the study.

Section 4. That the Department of Agriculture report on its study, including recommendations, to the Interim Joint Committee on Agriculture and Small Business, or an appropriate interim committee if such a joint committee does not exist, by January 1, 1981.

Section 5. That the state agencies continue their present program on ginseng while this study is being conducted.

Section 6. That copies of this resolution be sent to the Department of Agriculture, the U.K. College of Agriculture, and the Governor's Council on Agriculture.

Agreed.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Title Amendment to **SB 163,** by Representative Pearman:

Amend printed copy of **SB 163,** title amendment, by deleting the word "procurement" and inserting in lieu thereof the word "agencies"

Floor Amendment No. 2 to **SB 163,** by Representative Pearman:

Amend printed copy of **SB 163,** on page 30, after line 25, by inserting the following:

"Section 21. KRS 67.083 is amended to read as follows:

(1) It is the purpose of this section to provide counties as units of general purpose local government with the necessary latitude and flexibility to provide and finance various governmental services within those functional areas specified in subsection (3) of this section, while the general assembly retains full authority to prescribe and limit by statute local governmental activities when it deems such action necessary.

(2) The fiscal court of any county is hereby authorized to levy all taxes not in conflict with the constitution and statutes of this state now or hereafter enacted.

(3) The fiscal court shall have the power to carry out governmental functions necessary for the operation of the county. Except as otherwise provided by statute or the Kentucky constitution, the fiscal court of any county may enact ordinances, issue regulations, levy taxes, issue bonds, appropriate funds and employ personnel in performance of the following public functions:

(a) Control of animals, and abatement of public nuisances;

(b) Regulation of public gatherings;

(c) Public sanitation and vector control;

(d) Provision of hospitals, ambulance service, programs for the health and welfare of the aging and juveniles, and other public health facilities and services;

(e) Provision of corrections facilities and services, and programs for the confinement, care and rehabilitation of juvenile law offenders;

(f) Provision of parks, nature preserves, swimming pools, recreation areas, libraries, museums and other recreational and cultural facilities and programs;

(g) Provision of cemeteries and memorials;

(h) Conservation, preservation and enhancement of natural resources including soils, water, air, vegetation and wildlife;

(i) Control of floods;

(j) *Facilitating the construction of new housing and loans for the sale of existing houses;* causing the repair or demolition of structures which present a hazard to public health, safety or morals or are otherwise inimical to the welfare of residents of the county; causing the redevelopment of housing and related commercial, industrial and service facilities in urban or rural areas; providing education and counseling services and technical assistance to present and future residents of publicly assisted housing;

(k) Planning, zoning and subdivision control according to the provisions of KRS Chapter 100;

(l) Adoption, by reference or in full, of technical codes governing new construction, renovation or maintenance of structures intended for human occupancy;

(m) Regulation of commerce for the protection and convenience of the public;

(n) Regulation of the sale of alcoholic beverages according to the provisions of KRS Chapters 241 through 244;

(o) Exclusive management of solid wastes by ordinance or contract or by both and disposition of abandoned vehicles;

(p) Provision of public buildings, including armories, necessary for the effective delivery of public services;

(q) Cooperation with other units of government and private agencies for the provision of public services, including but not limited to training, educational services and cooperative extension service programs;

(r) Provision of water and sewage and garbage disposal service but not gas or electricity;

(s) Licensing or franchising of cable television;

(t) Provision of streets and roads, bridges, tunnels and related facilities, elimination of grade crossings, provision of parking facilities, enforcement of traffic and parking regulations;

(u) Provision of police and fire protection;

(v) Regulation of taxis, buses and other passenger vehicles for hire;

(w) Provision and operation of air, rail and bus terminals, port facilities, and public transportation systems;

(x) Promotion of economic development of the county, directly or in cooperation with public or private agencies, including the provision of access roads, land and buildings, and promotion of tourism and conventions;

(y) Preservation of historic structures.

(4) The county judge/executive is hereby authorized and empowered to exercise all of the executive powers pursuant to this section.

(5) A county acting under authority of this section may assume, own, possess and control assets, rights and liabilities related to the functions and services of the county.

(6) If a county is authorized to regulate an area which the state also regulates, the county government may regulate the area only by enacting ordinances which are consistent with state law or administrative regulation.

(a) If the state statute or administrative regulation prescribes a single standard of conduct, a county ordinance is consistent if it is identical to the state statute or administrative regulation.

(b) If the state statute or administrative regulation prescribes a minimal standard of conduct, a county ordinance is consistent if it establishes a standard which is the same as or more stringent than the state standard.

(c) A county government may adopt ordinances which incorporate by reference state statutes and administrative regulations in areas in which a county government is authorized to act.

(7) County ordinances which prescribe penalties for their violation shall be enforced throughout the entire area of the county unless:

(a) Otherwise provided by statute, or

(b) The legislative body of any city within the county has adopted an ordinance pertaining to the same subject matter which is the same as or more stringent than the standards that are set forth in the county ordinance. The fiscal court shall forward a copy of each ordinance which is to be enforced throughout the entire area of the county to the mayor or chairman of the board of trustees of each city in the county.

(8) The powers granted to counties by this section shall be in addition to all other powers granted to counties by other provisions of law. A permissive procedure authorized by this section shall not be deemed to be exclusive or to prohibit the exercise of other existing laws and laws which may hereafter be enacted but shall be an alternative or supplement thereto.

(9) Any agency of county government exercising authority pursuant to subsection (3)(y) of this section shall, prior to exercising such authority, obtain the voluntary written consent of the owner of the structure. Consent may be obtained only after advising the owner in writing of any advantages and disadvantages to the owner which are likely to result from the exercise of such authority.

Floor Title Amendment No. 2 to **SB 102,** by Representative Clarke:

Amend printed copy of **SB 102,** on page 1, line title, by amending the title to read as follows: "AN ACT relating to compensation of active and retired public officials."

Floor Amendment No. 7 to **SB 102,** by Representative Clarke:

Amend printed copy of **SB 102,** on pge 5, after line 1 by adding the following:

"Section 4. KRS 64.480 is amended to read as follows:

(1) Effective, with respect to the offices of governor on December 11, 1979, and lieutenant governor on the fifth Tuesday following the regular November election in 1975 and with respect to the other offices named in this section, on the first Monday in January, 1976, the compensation of the following named officers, payable monthly out of the state treasury, shall be the sum per annum designated for the respective offices, as follows: governor, $45,000 until December 11, 1981, and then $50,000 thereafter; lieutenant governor, an amount sufficient, when added to any per diem received during sessions of the general assembly while serving in the capacity of president of the senate, to equal $27,900 per annum, plus any compensation received while acting in the place of the governor; attorney general, superintendent of public instruction, commissioner of agriculture, secretary of state, state treasurer, auditor of public accounts, and clerk of the Supreme Court of Kentucky elected in November, 1975, as clerk of the Court of Appeals, $27,900.

(2) In order to equate or adjust the compensation of the lieutenant governor, attorney general, superintendent of public instruction, commissioner of agriculture, secretary of state, state treasurer, auditor of public accounts, and clerk of the Supreme Court of Kentucky with the purchasing power of the 1949 dollar, the executive department for finance and administration of Kentucky shall compute by the second Friday in February of every year, beginning in 1977, the maximum permissible compensation of the officials mentioned in subsection (2) hereof based precisely upon the consumer price index formula approved in Matthews v. Allen, Kentucky, 360 S.W. 2d 139 (1962). Thus the maximum permissible compensation effective for the entire year of 1977 and subsequent years will be the actual compensation to be paid said officials; *however, beginning in 1984, such compensation shall not exceed a six percent (6%) increase over the compensation paid the prior year.* The year of adjustment will be the particular full calendar year involved.

(3) It is the intention of the legislature that the constitutionally permissible adjustment of salaries of these officials be framed around equating current salaries with the purchasing power of the dollar in 1949 when section 246 of the Kentucky Constitution was amended. Section 246 of the Constitution, as amended, established a monetary level of $12,000 per annum for said officials. The formula merely effects an adjustment of the constitutional monetary level in terms of the current consumer price index.

Section 5. KRS 65.527 is amended to read as follows:

In order to equate the compensation of county judges/executive, county clerks, sheriffs, justices of the peace, county commissioners, coroners and jailers with the purchasing power of the dollar, the executive department for finance and administration shall compute by the second Friday in February of every year the annual increase or decrease in the consumer price index of the preceding year by using 1949 as the base year in accordance with Section 246 of the Constitution of Kentucky which provides that the above elected officials shall be paid at a rate no greater than $7,200 per annum. The executive department for finance and administration shall notify the appropriate governing bodies charged by law to fix the compensation of the above elected officials of the annual rate of compensation to which the elected officials are entitled pursuant to the increase or decrease in the consumer price index. Upon notification from the executive department for finance and administration, the appropriate governing body may set the annual compensation of the above elected officials at a rate *not to exceed six percent (6%) over the compensation paid the prior year* [no greater than that stipulated by the executive department for finance and administration]."

and by renumbering each subsequent section accordingly.

Floor Amendment No. 88 to Floor Amendment No. 59 to **HB 532,** by Representative Cyrus:

Amend printed copy of Floor Amendment No. 59 to **HB 532,** on page 5, after line 5, add the following:

SECTION 10. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

"*(1) The board shall review all previous awards or orders granting or awarding permanent partial disability benefits, commencing such review ninety (90) days prior to the eighth year-ninth week (425) weeks anniversity day of the last award or order granting the entitlement to permanent partial disability benefits. Review under this subsection shall be made by the board after notice has been given to the interested parties and said review shall not affect the previous order or award as to any sums already paid thereunder. However, benefit payments shall not be suspended during the pendency of such reopening procedure. In no event shall awards for weekly benefits for permanent partial disability extend beyond the employe's 65th birthday, unless the employe has received less than five year of benefits.*

(2) Where the board, after review, modifies a partial disability benefit award previously entered, said modification is limited to consideration of an increase, continuation of the same award, or decrease of partial disability benefits for the next four hundred twenty-five (425) week period."

Floor Amendment No. 4 to **HB 863,** by Representative Holbrook:

Amend printed copy of **HB 862,** on page 1, line 16, by inserting after the word "or" the words "surface transportation of"

On page 3, line 9, by inserting after the final comma the words "or by"

On page 3, line 10, by deleting the words "Or by pipeline"

On page 3, lines 15-16, by deleting ", including pipelines,"

Floor Amendment No. 5 to **SB 193,** by Representative Farrows:

Amend printed copy of **SB 193,** on page 7, delete lines 16, 17, 18, 19 and 20,

(7) To limit advertising by commercial dental laboratories to the extent of ensuring that such advertising is not false, unfair, deceptive or misleading.

Floor Amendment No. 4 to **SB 193,** by Representative Burch:

Amend printed copy of **SB 193,** on page 17, after line 4, by deleting lines 5 through 26 in their entirety; and

On page 18, by deleting lines 1 through 26 in their entirety; and

On page 19, by deleting lines 1 and 2 in their entirety; and

On pages 19 and 20 by renumbering the remaining sections accordingly.

Floor Amendment No. 8 to **SB 102,** by Representative Schmidt:

Amend printed copy of **SB 102,** on page 2, line 6, by deleting "*1980*" and substituting therefor: "*1981*";

And on page 3, line 9, by deleting "*1981*" and substituting therefor: "*1980*".

Floor Amendment No. 1 to the Committee Substitute to **HB 519,** by Representatives DeFalaise and Caldwell:

Amend printed copy of Committee Substitute to **HB 519,** page 3, on line 13, by inserting "*(1)*" before "*Section 1(4)*" and by deleting the second "*and*"; and

on line 14, by inserting before "*are*" the words "*and KRS 147.610 to 147.990*"; and

by inserting the following after line 19:

"*(2) After the effective date of this Act, an area planning commission shall not enter into any contract extending beyond June 20, 1962. An area planning commission shall not be dissolved until any liabilities of the commission outstanding on June 30, 1982 are safisfied, provided that the commission shall incur no new liabilities after June 30, 1982. Any assets of the commission remaining at the time of its dissolution shall be apportioned among the counties participating in the commission in proportion to their population. Upon a commission's dissolution, the clerk of each affected county shall remove the tax levied under KRS 147.660 from the tax bills of property owners in the county.*"

Floor Amendment No. 1 to **SB 206,** by Representative DeMarcus:

Amend printed copy of **SB 206,** page 2, after line 11, insert the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 19 IS CREATED TO READ AS FOLLOWS:

All earnings from the sale of credit life insurance by employes of a state-chartered bank shall be included in the profits of the bank."

Floor Amendment No. 87 to **HB 532,** by Representative Cyrus:

Amend printed copy of **HB 532,** on page 10, following line 7, insert:

"*(3) The board shall review all previous awards or orders granting or awarding permanent partial disability benefits, commencing such review ninety (90) days prior to the eighth anniversity date of the last award or order granting the entitlement to permanent partial disability benefits. Review under this subsection shall be made by the board after notice has been given to the interested parties and said reveiw shall not affect the previous order or award as to any sums already paid thereunder. However, benefit payments shall not be suspended during the pendency of such reopening procedure. In no event shall awards for weekly benefits for permanent partial disability extend beyond the employe's 65th birthday, unless the employe has received less than five year of benefits.*

(4) Where the board, after review, modifies a partial disability benefit award previously entered, said modification is limited to consideration of an increase, continuation of the same award, of decrease of partial disability benefits for the next four hundred sixteen (416) week period."

Floor Amendment No. 4 to the Committee Substitute to **HB 927,** by Representative Heleringer:

Amend printed copy of Committee Substitute to **HB 927,** page 7, after line 10 by inserting the following:

"(c) Subsection one (1) of this section shall not apply in the case of a retarded or incompetent adult woman who has been adjudged incompetent under KRS Chapter 203, in which case the usual procedure for obtaining consent for medical treatment of an incompetent shall apply."

Floor Amendment No. 3 to Sb 163, by Representative B. Richardson:

Amend printed copy of **SB 163,** on page 13, line 6, by inserting after the word "city" the following: "of the third through sixth class"; and on

Page 13, line 7, by deleting "urban-county,".

Floor Amendment No. 9 to **SB 102,** by Representative Farrow:

Amend printed copy of **SB 102,** page 4, line 25, by deleting the brackets appearing before the word "all" and after the word "and".

Floor Amendment No. 1 to **SB 332,** by Representative Holbrook:

Amend printed copy of **SB 332,** by adding the following after line 19, page 2:

(8) A "scrap metal processor" is defined as one who, from a fixed location, utilizes machinery and equipment for processing and manufacturing iron, steel, or nonferrous metallic scrap into prepared grades

and whose principal product is scrap iron, scrap steel or nonferrous metallis scrap for sale for remelting purposes.

This act shall not apply to a scrap metal processor.

And on page one, line 9, by deleting five (5) and substituting therefore ten (10)

Floor Amendment No. 1 to **SB 257,** by Representative Clarke:

Amend printed copy of **SB 257,** on page 3, by deleting lines 9 through 20 in their entirety.

and by adding in lieu thereof the following:

(5) Prior to the adoption of the regulations required by this Act, any person may conduct core drilling, experimentation, removal of samples, or a pilot and demonstration project which involves the mining of not more than five (5) acres for the production of oil shale in any one county. Such core drilling, experimentation, removal of samples, or pilot and demonstration project involving the mining of not more than five (5) acres for the production of oil shale in any one county shall not be initiated until written notification of the intent to perform such operations shall be filed at least 15 days prior to commencement of such projects by registered mail by the mine operator with the Secretary of the Department of Natural Resources and Environmental Protection of the Commonwealth of Kentucky and with the person(s) holding title to the surface of the land to be utilized for such operations.

(6) The Secretary of the Department of Natural Resources and Environmental Protection of the Commonwealth of Kentucky shall be granted the right to monitor such core drilling, experimentation, removal of samples, or pilot and demonstration project as it may deem necessary for the purpose of establishing sound and reasonable scientific and engineering data upon which rules and regulations pertaining to oil shale mining operations in the Commonwealth of Kentucky can be based.

(7) Any person who violates any of the provisions of this section or regulations promulgated pursuant thereto shall be subject to civil penalties of not more than twenty-five thousand dollars ($25,000). Each day of continuing violation shall be deemed a separate violation.

Floor Amendment No. 3 to **SB 210,** by Representative Williams:

Amend printed copy of **SB 210,** on page 5, line 16, by adding the following new section:

"Section 5. KRS 335.010 is amended to read as follows:

(1) It is the purpose and policy of the Commonwealth of Kentucky to protect the public from being misled by incompetent and unauthorized persons, and from unprofessional conduct on the part of qualified social workers by providing regulatory authority over persons who hold themselves out to the public as social workers.

(2) The purpose of KRS 335.010 to 335.160 and 335.990 is to promote high standards of professional performance for those engaged in the profession of social work by regulating the title, and by setting standards of qualification, training and experience for those who seek to engage in the practice of social work.

(3) Nothing contained in KRS 335.010 to 335.160 and 335.990 shall be applicable to employes of the state department of education or local boards of education who meet the certification requirements in the area of social work as established, or which may be established, by the state board of education. Nor shall anything in KRS 335.010 to 335.160 and 335.990 be construed to apply to, limit, or restrict the regulation of the title, setting of standards, qualifications, training or experience of those who seek to engage in the practice of social work and who have been, or will be, certified by the state board of education for the position for which they have been employed.

(4) Nothing contained in KRS 335.010 to 335.160 and 335.990 shall require persons employed by the Commonwealth of Kentucky, *or any political subdivision thereof,* the director or administrative head of a social service agency or division of a city, county or urban-county government or applicants for such employment to be licensed.

(5) Nothing contained in KRS 335.010 to 335.160 and 335.990 shall require persons employed by church-related or church-operated or affiliated agencies, childrens' homes, neighborhood centers, or other philanthropic and nonprofit field service offices to be licensed. The provisions of KRS 335.010 to 335.160 and 335.990 shall not be construed to apply to, limit or restrict the regulation of the title, setting of standards, qualifications, training and experience of those engaged as employes of such entities in the practice of social work or applied social counseling."

Floor Amendment No. 2 to **SB 114,** by Representative Burnette:

Amend printed copy of **SB 114,** on page 5, line 4, by deleting after the word "dentist" the following phrase: "; except that nothing in this Act shall prohibit an anesthesia assistant who is a graduate of a program approved by the American anesthesia society from giving general anesthetics under the direct supervision of a board eligible anesthesiologist"

Floor Amendment No. 10 to **SB 102,** by Representative Barrows:

Amend printed copy of **SB 102,** on page 1, lines 4 and 5, by deleting after the word "be" on line 4, "*forty-nine thousand dollars ($49,000)*" and substituting in lieu thereof "*forty-five thousand dollars ($45,000)*";

and on page 1, line 8, by deleting the words "*fifty thousand dollars ($50,000)*" and inserting in lieu thereof "*forty-six thousand dollars ($46,000)*";

and on page 1, line 12, by deleting the words "*forty-seven thousand dollars ($47,000)*" and inserting in lieu thereof "*forty-two thousand dollars ($42,000)*"

and on page 1, line 14, after the word "of" by deleting the words "*forty-seven thousand five hundred*" and by deleting all of line 15 and inserting in lieu thereof "*forty-two thousand five hundred dollars ($42,500)*"

and on page 1, line 17, after the word "be" by deleting the words "*forty-five thousand*" and by deleting all of line 18 and inserting in lieu thereof "*forty thousand dollars ($40,000) per annum*";

and on page 1, line 20, after the word "be" by deleting the words "*thirty-eight thousand*" and substituting in lieu thereof "*thirty-three thousand five hundred dollars per annum.*"

an on page 2 by deleting line 1 in its entirety.

Floor Amendment No. 1 to **SB 315,** by Representative Heleringer:

Amend printed copy of **SB 315,** on page 2, after line 23, add the following new section:

"Section 6. No regulation promulgated herein shall require any fees to be paid by a motorist for any automobile emission testing. No regulation promulgated herein shall be effective unless all motor vehicles licensed in the Commonwealth of Kentucky are compelled to submit to any emission testing program. No regulation promulgated herein shall apply to any motor vehicle that contains a properly-functioning catalytic converter."

on page 2, line 24, renumber Section 6 (7).

Floor Amendment No. 1 to **SB 309,** by Representative Hancock:

Amend printed copy of **SB 309,** on page 177, line 22, beginning with the words "Section 121" and continuing through to page 195, line 11, ending with the word "statute." by deleting these lines in their entirety and by renumbering the subsequent sections accordingly.

And on page 43, line 15, by deleting the line in its entirety.

And on page 127, lines 19 and 20, by deleting after the word "evaluation" the phrase "in accordance with the provision of KRS 208G"

And on page 133, lines 11 and 12, by deleting after the word "evaluation" the phrase "in a facility in accordance with KRS Chapter 208G"

And on page 151, line 26, and on page 152, line 1, by deleting after the word "evaluation" the phrase "pursuant to Section 138 of this Act"

Floor Amendment No. 11 to **SB 102,** by Representative Bennett:

Amend printed copy of **SB 102,** on page 5, by inserting after line 1 the following:

"Section 4. KRS 6.211 is amended to read as follows:

Effective January 1, 1978, in addition to any and all sums, compensation, or expenses now paid the members of the general assembly and the president of the senate, each shall receive an expense allowance of *one hundred* [seventy-five] dollars *($100.00)* [($75.00)] for each calendar day. This sum shall be paid whether the general assembly is in regular or extraordinary session and shall be in full recompense of any additional expenses incurred in excess of that now received by them.

Section 5. KRS 6.213 is amended to read as follows:

(1) In addition to the per diem and all allowances provided by law to members of the general assembly of the Commonwealth of Kentucky each member of the legislature is hereby granted an expense allowance of *one thousand* [seven hundred fifty] dollars *($1000)* [($750)] per month for secretarial assistance, books and periodicals, other reports or publications, conduct of small scale studies related to governmental activity, postage, telephone service, or any other expense incident to performance of the legislator's duties.

(2) The expense allowance provided for herein shall not be payable during any session of the general assembly. For sessions occurring during a part of the month, the expense allowance shall be prorated.

(3) Such expense allowances shall be paid by the state treasury out of the general fund of the Commonwealth upon warrant of the executive department for finance and administration, issued on the certification of the director of the legislative research commission."

and on page 5, line 2, by changing "Section 4" to "Section 6"

and on page 5, line 5, by changing "Section 5" to "Section 7"

and on page 5, line 10, by changing "Section 6" to "Section 8"

Floor Title Amendment No. 3 to **SB 102,** by Representative Bennett:

Amend printed copy of **SB 102,** page 1, changing the title to read: "AN ACT relating to public officials."

Floor Amendment No. 2 to the Committee Substitute to **SB 267,** by Representative List:

Amend printed copy of Committee Substitute for **SB 267,** on page 20, lines 11-16, by deleting the sentence beginning with "In no case" and ending with "KRS 224.855(5)."; and

on page 21, by deleting lines 18-22 in their entirety; and

on page 32, lines 9-14, by deleting the sentence beginning with "In the case of" and ending with "of this section,"; and

on page 32, line 15, by placing brackets "[]" around "(5)" and deleting the remainder of the line; and

on page 32, by deleting lines 16-26 in their entirety; and

on page 33, by deleting lines 1-26 in their entirety; and

on page 34, by deleting lines 1-10 in their entirety; and

on page 34, line 11, by deleting the word "*herein*".

Floor Amendment No. 1 to the Committee Substitute to **SB 333,** by Representative List:

Amend printed copy of Committee Substitute for **SB 333** on page 21, following line 15 by inserting the following:

"*(10) No city, county, urban-county government or agency of a city, county, or urban-county government, or taxing district, or other political subdivision of the Commonwealth shall be required to file any* *surety bond with the department pursuant to this section for the operation of a solid waste disposal site or facility by such city, county, urban-county government or agency thereof, or taxing district, or any other political subdivision of the Commonwealth.*"

Floor Amendment No. 4 to **SB 163,** by Representative O'Brien:

Amend printed copy of **SB 163,** page 1, line 1, by inserting "reenacted, amended and" between "is" and "reenacted" and by inserting "as a new Section of KRS Chapter 45A" before the word "to"; and

on page 1, between lines 2 and 3, by inserting "*If a local public agency agency does not elect to adopt KRS 45A.345 to 45A.440;*"; and

on page 1, line 3 by adding "*(1)*" before "The" and by bracketing "school"; and

on page 1, line 6 by inserting "*local public agency*" after "by the" and by bracketing "board of education"; and

on page 1, line 9, by inserting "*local public agency*" after "The" and by bracketing "board"; and

on page 1, line 10, by inserting after "bid" the words "*as provided in subsection (2) of this section*"; and

on page 1, line 11, by inserting after "the" the words "*local public agency*" and by bracketing "board"; and

on page 1, line 16, by inserting after "The" the words "*local public agency*" and by bracketing the word "board" and by inserting after "bids" the words "*as provided in subsection (2) of this Section*"; and

on page 1, between lines 16 and 17 by inserting the following:

"*(2) A bid may be rejected under this Section if the local public agency determines that the bid is not responsive to the invitation for bids or that the bidder is not responsible. Each local public agency shall adopt written, publicly available procedures for making such determinations.*"

and on page 2, line 21, by bracketing "*(1)*" and by inserting before "This" the phrase "*Except as may otherwise be provided by law,*"; and

on page 3, line 1, by inserting "*, Section 9 of this Act, and KRS 45A.445 to 45A.460 nor*" and by deleting the "]" and by placing a bracket "]" after "apply"; and

on page 3, line 3, by placing a bracket "[" before "(2)"; and

on page 3, line 7, by placing "]" after "avoided."; and

on page 4, line 11, by inserting after "except" the words "*for contracts for the construction of roads and bridges*"; and

on page 8, line 21, by inserting after "mean" the words "*commodities, materials and equipment of all kinds [*"; and;

on page 8, line 23, by placing a bracket after "land"; and

on page 16, line 2, by deleting "*45A.460*" and by inserting in lieu thereof "*45A.440 provided that the local public agency adopts such provision in their entirety*"; and

on page 16, line 3 after "*purchasing*" by inserting "*, including Section 1 of this Act,*"; and

on page 16, line 4, by adding the following: "*Each local public agency that adopts KRS 45A.345 to 45A.440 shall so notify the department of finance.*"; and

on page 30, line 1 by inserting after "(7)" "*Any penalty prescribed by*" and by inserting after "*section*" the words "*for a violation of KRS 45A.345 to 45A.440*"; and on page 30, line 6, by deleting the bracket and inserting in lieu thereof "*(8)*"; and

on page 30, line 14, by deleting the bracket; and

on page 30, between lines 14 and 15, by adding: "*(9) Any person who violates Section 1 of this Act shall be fined not less than fifty dollars ($50) nor more than five hundred dollars ($500) and in addition he shall be adjudged to have forfeited any office or employment held with the local public agency.*"; and by

inserting the following:

Section 18. KRS 45.360 is amended to read as follows:

(1) The executive department for finance and administration shall, *in accordance with this section and the provisions of KRS Chapter 45A and 56,* purchase, or shall delegate and control the purchase of, the combined requirements of all spending agencies of the state including, but not limited to, interests in real property, contractual services, rentals of all types, supplies, materials, equipment, and services, except that competitive bids may not be required:

(a) For contractual services where no competition exists, such as telephone service, electrical energy, and other public utility services;

(b) When in the judgment of the executive department for finance and administration food, clothing, equipment, supplies, or other materials to be used in laboratory and experimental studies can be purchased otherwise to the best advantage of the state; and instructional materials available from only one (1) source;

(c) Where rates are fixed by law or ordinance;

(d) For library books;

(e) For commercial items that are purchased for resale;

(f) For professional, technical, scientific, or artistic services [(Contracts exempted by this provision shall be reviewed and approved in accordance with KRS 45.535)];

(g) For all other commodities, equipment and services which, in the reasonable discretion of the executive department for finance and administration, are available from only one (1) source; and

(h) Interests in real property.

(2) Nothing in this section shall deprive the executive department for finance and administration from negotiating with vendors who maintain a general service administration price agreement with the United States of America or any agency thereof, provided, however, that no contract executed under this provision shall authorize a price higher than is contained in the contract between general service administration and the vendor affected.

(3) The executive department for finance and administration shall have supervision over all purchases by the various spending agencies, except as otherwise provided by law, and shall prescribe rules and regulations *as provided by KRS Chapters 45A and 56* to govern purchasing by or for all such agencies, [subject to the approval of the secretary of the executive department for finance and administration,] and shall publish a manual of procedures to be distributed to agencies [and to be revised upon issuance of amendments to such procedures]. No purchase or contract shall be binding on the state or any agency thereof unless approved by the department or made under general regulations which the executive department for finance and administration may prescribe.

(4) The executive department for finance and administration shall adopt regulations to require agencies to take and maintain inventories of plant and equipment. The executive department for finance and administration *may* [shall] conduct periodic physical audits of inventories.

(5) [The executive department for finance and administration shall require all agencies to furnish an estimate of specific needs for supplies, materials, and equipment to be purchased by competitive bidding for the purpose of permitting scheduling of purchasing in large volume. It shall establish and enforce schedules for purchasing supplies, materials, and equipment. In addition, all agencies shall submit to the executive department for finance and administration prior to the beginning of each fiscal year an estimate of all needs for supplies, materials, and equipment during that year which will have to be acquired through competitive bidding.

(6)] The executive department for finance and administration shall have power[, with the approval of the secretary of the executive department for finance and administration,] to transfer between departments, to salvage, to exchange, and to condemn supplies, equipment, and real property.

(6) (a)[(7)] *Except where such authority is delegated in accordance with paragraph (b) of this subsection,* the executive department for finance and administration shall sell or otherwise dispose of all property (including any interest in real property) of the state which is not needed or has become unsuitable for public use, or would be more suitable consistent with the public interest for some other use, as determined by the secretary of the executive department for finance and administration. The determination of the secretary of

the executive department for finance and administration shall be set forth in an order, and shall be reached only after [review of] a [written] request by the agency desiring to dispose of the property. Such request shall describe the property and state the reasons why the agency believes disposal should be effected. All instruments required by law to be recorded which convey any interest in any such real property so disposed of shall be executed and signed by the secretary of the executive department for finance and administration and approved by the governor. Unless the secretary of the executive department for finance and administration deems it in the best interest of the state to proceed otherwise, all such property (including any interests in real property) shall be sold either by invitation of sealed bids or by public auction, provided however that the selling price of any interest in real property shall not be less than the appraised value thereof as determined by the department, or the department of transportation for such requirements of that department.

(b) In cases involving live animals and growing crops, where the secretary of finance finds that the marketability or value of such state property will be adversely affected by the delay imposed by the regular surplus property processing procedures, the secretary of finance may delegate the authority to dispose of the state property to the governmental unit or agency having custody or charge of the property.

(7)[(8)] Except as provided in KRS Chapters 175, 176, 177 and 180, [and subject to the provisions of KRS Chapter 45A,] the executive department for finance and administration shall purchase or otherwise acquire all real property determined to be needed for state use, upon the approval of the secretary of the executive department for finance and administration as to the determination of need and as to the action of purchase or other acquisition, provided that the amount paid shall not exceed the appraised value as determined by the department, or the department of transportation (for such requirements of that department), or value set by eminent domain procedure.

(8)[(9)]. Real property or any interest therein may[, subject to the provisions of KRS Chapter 45A,] be purchased, leased, or otherwise acquired from any officer or employe of any agency of the state upon a finding by the executive department for finance and administration, based upon a written application by the head of the agency requesting the purchase, and approved by the secretary of the executive department for finance and administration and the governor, that the employe has not either himself or through any other person influenced or attempted to influence either the agency requesting the purchase of the property or the executive department for finance and administration in connection with such acquisition. In any case in which such an acquisition is consummated, the said request and finding shall be recorded and kept by the secretary of state along with the other documents recorded pursuant to the provisions of KRS Chapter 56.

(9)[(10)] The executive department for finance and administration shall maintain records of all purchases and sales made under its authority and shall make periodic summary reports of all transactions to the secretary of the executive department for finance and administration, the governor, and the general assembly. The executive department for finance and administration shall also report trends in costs and prices, including savings realized through improved practices, to the above authorities.

(10)[(11)] For capital construction projects, [subject to the provisions of KRS Chapter 45A,] the bidding may be on a total design-bid basis; a package system commonly referred to as "turnkey"; phase bidding commonly referred to as "fast track"; or construction management, whichever in the judgment of the secretary of the executive department for finance and administration offers the lowest real cost to the taxpayer. Bids shall be reviewed by the engineering staff to assure quality and value, and compliance with bid procedures. All specifications shall be written to promote competition.

(11)[(12)] The executive department for finance and administration shall attempt in every practicable way to insure the state's supplying its real needs at the lowest possible cost.

(12)[(13)] The executive department for finance and administration shall have control and supervision over all purchases of energy consuming equipment, supplies and related equipment purchased or acquired by any agency of the state as provided in KRS 45.360 to 45.990, and shall designate by regulation the manner in which an energy consuming item will be purchased so as to promote energy conservation and acquisition of energy efficient products.

Section 19. KRS 45A.015 is amended to read as follows:

[(1) Unless displaced by the particular provisions of this code, the principles of law and equity, including the uniform commercial code, the law merchant, and law relative to capacity to contract, agency, fraud, misrepresentation, duress, coercion, mistake, and bankruptcy, shall supplement its provisions.

(2)] Every contract or duty under this code shall impose an obligation of good faith in its performance or enforcement. "Good faith" shall mean honesty in fact in the conduct or transaction concerned and the observance of reasonable [commercial] standards of fair dealing.

Section 20. KRS 45A.045 is amended to read as follows:

The executive department for finance and administration shall have the following authorities and responsibilities:

(1) To serve as the central procurement and contracting agency of the Commonwealth;

(2) To recommend regulations, rules, and procedures;

(3) To purchase or otherwise acquire, or, with the approval of the secretary, to delegate the purchase and acquisition of, all supplies, services and construction for the Commonwealth *as provided in this chapter and in KRS Chapters 45 and 56*;

(4) To sell, trade, or otherwise dispose of surplus supplies, services, and construction for the Commonwealth;

(5) To exercise general supervision and control over all warehouses, storerooms, and stores and of all inventories of supplies, services, and construction belonging to the Commonwealth;

(6) To establish and maintain programs for the development and use of purchasing specifications and for the inspection, testing, and acceptance of supplies, services, and construction.

Section 21. KRS 45A.050 is amended to read as follows:

(1) Except as provided in KRS Chapters 175, 176, 177 and 180 *with respect to the letting, award and administration of contracts for the construction, reconstruction, and maintenance of roads and bridges*, all rights, powers, duties, and authority relating to the procurement of supplies, services, and construction, and the management, control, warehousing, sale, and disposal of supplies, services, and construction now vested in or exercised by any state agency under the several statutes relating thereto, are hereby transferred to the secretary of the executive department for finance and administration as provided in this code, subject to the provisions of subsection (2) of this section.

(2) Unless otherwise ordered by the secretary of the executive department for finance and administration, the acquisition of the following shall not be required through the executive department for finance and administration:

(a) Works of art for museum and public display;

(b) Published books, maps, periodicals, and technical pamphlets; and

(c) Services of visiting speakers, professors, and performing artists.

Section 22. KRS 45A.090 is amended to read as follows:

(1) In the event that all bids submitted pursuant to competitive sealed bidding under KRS 45A.080 result in bid prices in excess of the funds available for the purchase, and the [chief] purchasing officer determines in writing:

(a) That there are no additional funds available from any source so as to permit an award to the lowest responsive and responsible bidder; *or* [and]

(b) The best interest of the state will not permit the delay attendant to a resolicitation under revised specifications, or for revised quantities, under competitive sealed bidding as provided in KRS 45A.080, then a negotiated award may be made as set forth in subsections (2) or (3) of this section.

(2) Where there is more than one bidder, competitive negotiations pursuant to KRS 45A.085, shall be conducted with the three (3) (two (2) if there are only two (2)) bidders determined in writing to be the lowest responsive and responsible bidders to the competitive sealed bid invitation. Such competitive negotiations shall be conducted under the following restrictions:

(a) If discussions pertaining to the revision of the specifications or quantities are held with any potential offeror, all other potential offerors shall be afforded an opportunity to take part in such discussions; and

(b) A request for proposals, based upon revised specifications or quantities, shall be issued as promptly as possible, shall provide for an expeditious response to the revised requirements, and shall be awarded upon the basis of the lowest bid price or lowest evaluated bid price submitted by any responsive and responsible offeror.

(3) Where, after competitive sealed bidding, it is determined in writing that there is only one responsive and responsible bidder, a noncompetitive negotiated award may be made with such bidder in accordance with KRS 45A.095.

Section 23. KRS 45A.110 is amended to read as follows:

(1) [A written determination of responsibility of a bidder or offeror shall be made and it shall be made in accordance with regulations issued by the secretary of the executive department for finance and administration.] A reasonable inquiry to determine the responsibility of a bidder or offeror may be conducted. The failure of a bidder or offeror to promptly supply information in connection with such an inquiry may be grounds for a determination of nonresponsibility with respect to such a bidder or offeror.

(2) Except as otherwise provided by law, information furnished by a bidder or offeror pursuant to this section may not be disclosed outside of the division of state purchasing or the purchasing agency administering the contract without prior written consent of the bidder or offeror.

Section 24. KRS 45A.295 is amended to read as follows:

As used in KRS 45A.295 to 45A.320:

(1) "State public purchasing unit" shall mean the executive department for finance and administration and any other purchasing agency of this Commonwealth.

(2) "Local public purchasing unit" shall mean any county, city, governmental entity and other subdivision of the Commonwealth or public agency thereof, public authority, public educational, health, or other institution, any other entity which expends public funds for the acquisition or leasing of supplies, services, and construction, and any *local unit of government* [nonprofit corporation] operating a charitable hospital.

(3) "Public purchasing unit" shall mean either a local public purchasing unit or a state public purchasing unit.

(4) "Foreign purchasing activity" shall mean any buying organization not located in this Commonwealth which, if located in this Commonwealth, would qualify as a public purchasing unit. An agency of the United States government is a foreign purchasing activity.

(5) "Cooperative purchasing" shall mean purchasing conducted by, or on behalf of, more than one public purchasing unit, or by a public purchasing unit with a foreign purchasing activity.

Section 25. KRS 424.990 is amended to read as follows:

Any person who violates any provision of KRS 424.110 to 424.370 shall be fined not less than fifty dollars nor more than five hundred dollars. *In addition, any person who violates KRS 424.260 shall be adjudged to have forfeited any office or employment held with the city, county or district.* In addition, any officer who fails to comply with any of the provisions of KRS 424.220, 424.230, 424.240, 424.250, 424.290 or 424.330 shall, for each such failure, be subject to a forfeiture of not less than fifty dollars nor more than five hundred dollars, in the discretion of the court, which may be recovered only once, in a civil action brought by any citizen of the city, county or district for which the officer serves. The costs of all proceedings, including a reasonable fee for the attorney of the citizen bringing the action, shall be assessed against the unsuccessful party.

and on page 30, line 15, by changing "18" to "26"; and

on page 30, line 21, by changing "19" to "27"; and

on page 30, line 22, by changing "20" to "28".

Floor Amendment No. 3 to the Committee Substitute to **SB 267,** by Representative Dunn:

Amend printed copy of Committee Substitute for **SB 267,** page 32, by inserting after the number "(5)" the following language:

"*In the event an application for a permit is submitted to the department for a hazardous waste landfill or other site or facility for the land disposal of hazardous waste which would allow the disposal of nuclear waste or the disposal of toxic waste as defined by the U.S. environmental protection agency pursuant to the "Toxic Substances Control Act of 1976" (P.L. 94-469) as amended or as defined by regulations promulgated by the department,*"; and

on page 32, line 17, by changing "*a*" to "*the*".

Floor Amendment No. 1 to **SB 116,** by Representative Smith:

Amend printed copy of **SB 116,** page 7, after line 4, insert the following:

SECTION 5. A NEW SECTION OF KRS CHAPTER 100 IS CREATED TO READ AS FOLLOWS:

Any city or county which is a member of a planning unit established under this chapter may adopt a zoning regulation which restricts industrial shale mining to areas which have been zoned for that purpose.

Floor Amendment No. 12 to **SB 102,** by Representative Bennett:

Amend printed copy of **SB 102,** page 5, after line 1, by inserting the following:

"Section 4. KRS 6.211 is amended to read as follows:

Effective January 1, *1980* [1978], in addition to any and all sums, compensation, or expenses now paid the members of the general assembly and the president of the senate, each shall receive an expense allowance of *one hundred* [seventy-five] dollars *($100.00)* [($75.00)] for each calendar day. This sum shall be paid whether the general assembly is in regular or extraordinary session and shall be in full recompense of any additional expenses incurred in excess of that now received by them.

Section 5. KRS 6.213 is amended to read as follows:

(1) In addition to the per diem and all allowances provided by law to members of the general assembly of the Commonwealth of Kentucky each member of the legislature is hereby granted an expense allowance of *one thousand* [seven hundred fifty] dollars *($1000)* [($750)] per month for secretarial assistance, books and periodicals, other reports or publications, conduct of small scale studies related to governmental activity, postage, telephone service, or any other expense incident to performance of the legislator's duties.

(2) The expense allowance provided for herein shall not be payable during any session of the general assembly. For sessions occurring during a part of the month, the expense allowance shall be prorated.

(3) Such expense allowances shall be paid by the state treasury out of the general fund of the Commonwealth upon warrant of the executive department for finance and administration, issued on the certification of the director of the legislative research commission.

and on page 5, line 2, by changing "Section 4" to "Section 6"

and on page 5, line 5, by changing "Section 5" to "Section 7"

and on page 5, line 10, by changing "Section 6" to "Section 8"

and on page 5, after line 12, by inserting the following:

"Section 9. Whereas, the expenses borne by members of the General Assembly have increased remarkably since 1978, when the present expense allowances were established, an emergency is declared to exist, and Section 4 of this Act shall become effective upon its passage and approval by the governor, and shall be retroactive to January 1, 1980, and Section 5 of this Act shall become effective on April 16, 1980."

and on page 5, line 8, inserting after "and" Sections 1, 2, 3, 6, and 8 of"

and on page 5, line 12, by inserting after "of" "Sections 1, 2, and 3 of"

and on page 5, by inserting after line 12, the following:

"Section 10. In order to carry out the provisions of Sections 4 and 5 of this Act, there is hereby appropriated from the general fund $465,750 for fiscal year 1979-1980, $414,000 for fiscal year 1980-1981 and $672, 750 for fiscal year 1981-1982."

Floor Title Amendment No. 4 to **SB 102,** by Representative Bennett:

Amend printed copy of **SB 102,** by changing the title to read: "AN ACT relating to public officials and making an appropriation therefor."

Floor Amendment No. 4 to **HB 817,** by Representative Thomason:

Amend printed copy of **HB 817,** page 2, line 19, by striking "*Facilitating*" and inserting in lieu thereof "*Construct streets, provide utilities and other necessary public services to facilitate*"

Representative B. Richardson moved that the Discharge Petition on **SR 9** be considered.

Representative Mann moved that the House adjourn until 11:00 a.m., Wednesday, March 26, 1980.

(The Speaker ruled the order of business when the House adjourns will become the first order of business the next day in the proper motion hour.)

On the roll call the vote was yeas 45-Adams, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Cawood, Curd, Davenport, Deskins, Donnermeyer, Dunn, Farrow, Foster, Hancock, Hines, Isler, Johnson, Kenton, Kidd, LeMaster, List, Little, Mann, May, McBee, Moberly, Morris, Nett, Noe, O'Brien, Rapier, Richards, B. Richardson, Stone, Stumbo, Thomas, Van Horn, Weinberg, Wilborn, Williams. Nays 23-Allen, Arnold, Caldwell, DeFalaise, Freibert, Fryman, Guenthner, Heleringer, Holbrook, Holloway, Layman, Lewis, McNutt, Patrick, Plummer, Priddy, Rattliff, Riner, Schmidt, Smith, Thomason, Turner, Worthington.

The motion to adjourn was adopted.

WEDNESDAY, MARCH 26, 1980

FIFTY-SECOND LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Representative Louis Johnson.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Maynard.

Representative Isler moved that absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 25, 1980, be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 131, by Representatives Yates, Wright, and Bronger: A RESOLUTION adjourning the House of Representatives in honor of the Butler Bearettes Basketball Team.

HR 132, by Representatives McBee, Mann, Donnermeyer, and Petty: A RESOLUTION urging the Energy Committee to study the pricing of gasoline.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Business Organizations and Professions: **SB 187.**

Judiciary: **SB 330.**

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Business Organizations and Professions: **SB 187.**

Judiciary: **SB 363, SB 371, SB 23.**

Energy: **SB 255, SB 279, SR 54.**

State Government: **SB 297.**

Report of Committees

The Committee on Rules reported **HB 167, HB 565, HB 806, HB 826, HB 957, HR 109, HCR 126, SB 66, SB 100, SB 116, SB 124, SB 206, SB 213, SB 237, SB 245, SB 253, SB 257, SB 258, SB 260, SB 266, SB 267, SB 270, SB 277, SB 287, SB 293, SB 300, SB 302, SB 305, SB 321, SB 333, SB 339, SB 340,** and **SB 357** have been posted for passage in Orders of the Day on March 27, 1980.

The Committee on Rules reported **HB 854** has been recommitted to the Committee on Appropriations and Revenue

The Committee on Appropriations and Revenue reported **SB 181**, **SB 383** with Committee Amendment attached thereto, and **SR 44** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 181, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 140.015 is amended to read as follows:

(1) The payment of any gratuity pay, death compensation or other award or benefit, by the federal government, to the surviving spouse or heirs of any person by reason or arising out of service by such person in the armed forces of the United States in time of war shall not be considered a taxable transfer within the meaning of this chapter, and the amount paid shall not be considered in determining the value of any taxable transfer.

(2) Payments made to a beneficiary of the Retired Serviceman's Family Protection Plan or Survivor Benefit Plan shall not be considered a taxable transfer within the meaning of this chapter, and the amount paid shall not be considered in determining the value of any taxable transfer.

SB 383, AN ACT relating to law enforcement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 15.460 is amended to read as follows:

(1) An eligible local unit of government shall be entitled to receive *a supplement to* [15% of] each qualified police officer's annual salary from the law enforcement foundation program fund, to be paid to each officer in addition to his regular salary. *The state supplement for each qualifying officer shall be a percentage of that portion of each officer's annual base salary which does not exceed twenty thousand dollars ($20,000). The percentage shall be determined by the department of justice in accordance with available funding. The same percentage shall be utilized for all officers.*

(2) An eligible local unit of government shall also be entitled to receive, from the law enforcement foundation program fund, 50% of any salary increase paid to police officers solely because of college credits attained; provided, however, that the local unit shall file an educational incentive plan consistent with the guidelines and standards set down by the department of justice; provided further, that the contribution from the law enforcement foundation program fund under this subsection shall not exceed five hundred dollars ($500) per year for any one police officer. *Funding for this program shall be suspended beginning July 1, 1980 through the period ending June 30, 1982 for the purpose of evaluation and review.*

The Committee Amendment No. 1 to **SB 383** is as follows:

Amend printed copy of **SB 383,** page 1, line 8, by deleting after the word "a" all the rest of lines 8 through 18 and the underlining and inserting in lieu thereof the following: "*standard fee which shall be determined by the Department of Justice in accordance with available funding. The same fee shall be utilized for all officers.*"

and after line 13 by bracketing all of lines 14 through 21;

on page 2, by bracketing lines 1 up to the word "officer" in line 4 and on line 4 by deleting all the rest of lines 4 through 6 and the underlining.

SCR 44, A CONCURRENT RESOLUTION relating to a study of installment payment of state and local property taxes:

WHEREAS, the property tax is consistently rated the least popular form of taxation; and

WHEREAS, Kentucky local governments and school districts rely heavily upon the property tax for their fiscal support; and

WHEREAS, one of the factors contributing to the unpopularity of the property tax is the absence of a provision for installment payment of the tax liability, thus requiring an annual, lump sum payment; and

WHEREAS, provision for installment payment of payment tax liability should be made if such provision would not adversely affect the fiscal needs of local governments and school districts and unduly burden those offices which would be responsible for the administration of an installment payment system;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives Concurring therein:

Section 1. That the Legislative Research Commission direct the Interim Joint Committee on Appropriations and Revenue to study the feasibility of providing for installment payment of state and local property tax liabilities, and, if found feasible, prepare draft legislation for introduction in the 1982 Session of the General Assembly.

Section 2. The results of this study, along with any legislative proposals, shall be made available to the members of the General Assembly not later than July 1, 1981.

Section 3. Staff services to be utilized in completing this study are estimated to cost two thousand five hundred dollars ($2,500). These staff services shall be provided from the regular Commission budget and are subject to the limitations and other research responsibilities of the Commission.

The Committee on State Government reported **SB 65** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 65, AN ACT relating to purchasing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 45A.100 is amended to read as follows:

Procurements, not to exceed an aggregate amount of five thousand dollars ($5,000) for construction, *five thousand dollars ($5,000) for equipment replacement parts purchased by the bureau of highways,* and one thousand dollars ($1,000) for all other purchases may be made in accordance with small purchase regulations promulgated by the secretary of the executive department for finance and administration. Procurement requirements shall not be artificially divided so as to constitute a small purchase under this section. At least every three (3) years, the secretary shall review the prevailing costs of labor and materials and may make recommendations to the next regular session of the general assembly for the revision of the then current maximum small purchase amount as justified by intervening changes in the cost of labor and materials.

The Committee on Energy reported **HR 115** and **SCR 54** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Consent Calendar.

HR 115, A RESOLUTION urging the energy committee during the interim to study alternatives which could alleviate the severe impact of energy costs on lower income families and encourage energy conservation.

WHEREAS, some amount of energy is a necessity for any family and must be used regardless of its cost; and

WHEREAS, the cost of energy, whether fuel oil or electricity, propane, gas or coal, has increased much faster than overall inflation; and

WHEREAS, energy has always constituted a greater percentage of total expenditures of low-income households than of other households; and

WHEREAS, the total real income of poor people has declined in the 70's as welfare, unemployment and social security benefits have not kept pace with inflation; and

WHEREAS, low income people generally live in older and poorly maintained housing that wastes energy, yet cannot afford repairs which would lower consumption;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Energy Committee, during the 1980-82 interim should study alternatives to assist low income Kentuckians to obtain necessary energy supplies and to encourage energy-saving practices by all

Kentuckians. The committee should carefully analyze Kentucky's experiment with direct energy assistance under the Energy Cost Assistance Program to determine whether problems encountered with the program could be avoided and a fair and effective program implemented. The committee should study alternate cost assistance methods, such as lifeline rates, credits or more lenient termination policies, and also programs which promise to lower costs by reducing consumption, such as weatherization programs and incentives.

SCR 54, A CONCURRENT RESOLUTION urging the U. S. Department of Energy not to adopt a proposed rule restricting recreational watercraft.

WHEREAS, the U. S. Department of Energy has proposed a standby energy conservation plan which includes provisions to prohibit the use of recreational motorboats on one or both days of the weekend in the event of an energy shortage; and

WHEREAS, such restrictions unfairly discriminate against boating, because no similar restrictions are proposed for other forms of recreation, such as snowmobiling, aviation or recreational vehicles; and

WHEREAS, a ban on weekend boating in Kentucky would severely damage the state's growing tourist industry, which is centered around the many lakes, resevoirs and rivers of the Commonwealth, and could threaten the economic survival of entire communities; and

WHEREAS, boating uses less than one-half of one percent of the nation's oil, so that restrictions on boating, while denying enjoyment to many people and working economic hardships, would not produce significant fuel savings; and

WHEREAS, public comment on the proposed rules has been requested, and may affect the final decision;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Department of Energy is urged not to adopt its proposed rule on recreational watercraft, as published in the Federal Register, February 7, 1980, and is urged to refrain from placing any such discriminatory restrictions on boating.

Section 2. That a copy of this resolution is to be sent to all members of the Kentucky congressional delegation, to the secretary of the U. S. Department of Energy, and to Ms. Carol Snipes, Conservation and Solar Energy, U. S. Department of Energy, who has been designated to receive comments on the proposed rules.

The Committee on Banking and Insurance reported **SB 239** and **SB 231** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Consent Calendar.

SB 239, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.24-390 is amended to read as follows:

(1) A domestic [stock] insurer may merge or consolidate with one or more domestic or foreign [stock] insurers, by complying with the applicable provisions of the statutes of this state governing the merger or consolidation of [stock] corporations formed for profit, but subject to subsections (2) and (3) of this section.

(2) No such merger or consolidation shall be effectuated unless in advance thereof the plan and agreement therefor have been filed with the commissioner and approved in writing by him after a hearing thereon. The commissioner shall give such approval within a reasonable time after such filing unless he finds such plan or agreement:

(a) Is contrary to law; or

(b) Inequitable to the stockholders *or members* of the insurers involved; or

(c) Would substantially reduce the security of and service to be rendered to policyholders of the domestic insurer in this state or elsewhere; or

(d) Would materially tend to lessen competition in the insurance business in this state or elsewhere as to the kinds of insurance involved, or would materially tend to create a monopoly as to such business; or

(e) Is subject to other material and reasonable objections.

(3) No director, officer, agent or employe of any insurer party to such merger or consolidation, or member of the family of such director, officer, agent, or employe, shall receive any fee, commission, compensation or other valuable consideration whatsoever for in any manner aiding, promoting or assisting therein except as set forth in such plan or agreement.

(4) If the commissioner does not approve any such plan or agreement he shall so notify the insurer in writing specifying his reasons therefor.

SB 231, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 3, IS CREATED TO READ AS FOLLOWS:

A "combined stock and mutual" insurer is an incorporated insurer with capital divided into shares owned by its shareholders, but which is controlled by the votes both of its stockholders and of its participating policyholder members to the extent any such rights of membership are granted and specified in the insurer's policies or its articles of incorporation.

SECTION 2. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 24, IS CREATED TO READ AS FOLLOWS:

(1) A domestic stock or mutual insurance company may amend its articles of incorporation so as to become a combined stock and mutual company; provided, that no such amendment shall deprive any stockholder or member or policyholder of the right, at any and all meetings of stockholders and members or policyholders held thereafter, to cast as many votes for directors as are provided by the articles of incorporation in force at the time of the adoption of such amendment, or by the law in force at such time. No such amendment shall be construed to change the identity of the corporation and it shall thereafter continue to be governed by the laws applicable thereto at the time of such amendment and as amended hereafter and not inconsistent with this subtitle, as well as those relating to the added characteristic of capital stock or mutuality which it shall have acquired by such amendment.

(2) The articles of incorporation of a combined stock and mutual insurance company may be amended in any respect provided by KRS Chapter 271A and this subtitle, in the manner therein provided. The articles of incorporation of a combined stock and mutual insurance company may also be amended in respect to any matter which the original articles of incorporation of a combined stock and mutual insurance company might lawfully have contained, or so as to vest in its board of directors authority to make and alter bylaws subject to the power of the stockholders and members to change or repeal such bylaws, by the affirmative vote, at a regular meeting of stockholders and members or at a special meeting of stockholders and members called for that expressly stated purpose by the board of directors which shall first have proposed the amendment and declared it to be advisable, of (a) a majority of the total number of votes to which stockholders are entitled, and (b) at least one fifth of the total number of votes to which participating policyholder members are entitled, provided the proposed amendment does not receive the negative vote of more than five percent (5%) of the total number of votes to which all participating policyholder members are entitled.

(3) The articles of incorporation of a combined stock and mutual insurance company may also be amended so as to increase or decrease its capital stock, or so as to change the number and par value of the shares of its capital stock, or so as to limit or deny to stockholders the preemptive right to subscribe to any or all shares of stock which may be authorized to be thereafter issued, by a majority vote of all its shares but without the vote of its members, at a regular meeting or at a special meeting of stockholders called for that expressly stated purpose by the board of directors which shall first have proposed the amendment and declared it to be advisable and not adverse to or in conflict with the rights and interests of the members, provided that if the proposed amendment is to increase or decrease the capital stock or to change the number of the shares of the capital stock, the resolution specifying the proposed amendment and the certificate of amendment shall expressly provide (a) that the stockholders holding all its shares shall, at all meetings, be entitled to the same number of total votes after the amendment is adopted as they were entitled to before the amendment, and (b) that each stockholder shall, at all meetings, be entitled to a fraction of one (1) vote for each share of stock held by him, the numerator of which fraction shall be the number of shares outstanding before the first such amendment is adopted and the denominator of which fraction shall be the number of shares outstanding.

Section 3. KRS 304.3-070 is amended to read as follows:

(1) To qualify for and hold authority to transact insurance in this state, an insurer must be otherwise in compliance with this code and with its charter powers, and must be an incorporated stock or mutual

insurer, *or a combined stock and mutual insurer,* or a reciprocal insurer, or Lloyd's plan insurer, of the same general type as may be formed as a domestic insurer under this code, except that:

(a) No foreign insurer shall be authorized to transact insurance in this state which does not maintain reserves as required by subtitle 6 as applicable to the kind or kinds of insurance transacted by such insurer, wherever transacted in the United States; or which transacts business anywhere in the United States on the assessment plan, or stipulated premium plan, or any similar plan.

(b) No insurer shall be authorized to transact a kind of insurance in this state unless duly authorized or qualified to transact such insurance in the state or country of its domicile.

(c) No insurer shall be authorized to transact in this state any kind of insurance which is not within the definition as set forth in subtitle 5.

(d) No such authority shall be granted or continued as to any insurer while in arrears to the state for fees, licenses, taxes, assessments, fines or penalties accrued on business previously transacted in this state.

(e) A combined stock and mutual insurer must maintain separate accounting for income, expense and surplus retention in a manner as provided by a regulation to be promulgated by the commissioner.

(2) In determining the solvency of or impairment to any foreign or alien insurer which is requesting the issuance or continuance of any certificate of authority to do business in this state, the commissioner may admit as assets only those items which would qualify as admitted assets for a domestic insurer similarly situated.

Section 4. KRS 304.24-010 is amended to read as follows:

(1) This subtitle shall apply only to domestic stock insurers, *domestic combined stock and mutual insurers,* and domestic mutual insurers transacting or proposing to transact insurance on the cash premium or legal reserve plan, except that KRS 304.24-160, 304.24-250, and 304.24-310 shall also apply to foreign and alien insurers.

(2) All provisions of this subtitle relating to stock companies and all such provisions relating to mutual companies shall, so far as applicable, relate to and govern combined stock and mutual companies and the rights of stockholders and participating policyholder members thereof.

Section 5. KRS 304.24-020 is amended to read as follows:

(1) A "stock" insurer is as defined in KRS 304.3-010.

(2) A "mutual" insurer is as defined in KRS 304.3-020.

(3) A "combined stock and mutual" insurer is as defined in Section 1 of this Act.

Section 6. KRS 304.24-030 is amended to read as follows:

Domestic stock, *combined stock and mutual, or* [and] mutual insurers shall be governed by the applicable provisions of the general statutes of this state relating to private corporations organized for profit, as such statutes are now or hereafter may be constituted, except where such general statutes are in conflict with the express provisions of this subtitle and the reasonable implications thereof, and in which case the provisions of this subtitle shall govern.

Section 7. KRS 304.24-040 is amended to read as follows:

(1) This section applies to stock, *combined stock and mutual, or* [and] mutual insurers hereafter incorporated in this state. Such an insurer may be formed for the purpose of transacting any kind or kinds of insurance, as well as annuity business.

(2) Incorporators. Three (3) or more individuals, none of whom is less than eighteen (18) years of age, may incorporate a stock insurer; ten (10) or more such individuals may incorporate a mutual insurer. At least a majority of the incorporators must be citizens of the United States. At least a majority of the incorporators must be residents of Kentucky.

(3) Articles. The incorporators shall deposit the articles of incorporation, in quadruplicate originals, with the commissioner, and such articles shall not be filed with the secretary of state until approved by the commissioner as provided in KRS 304.24-050, and the commissioner's approval has been stamped upon or otherwise attached to the articles. In addition to the applicable requirements of laws in this state governing the incorporation of business corporations generally:

(a) The name of the corporation, which shall be subject to KRS 304.3-010, shall contain the words "insurance company;" if a mutual, *or a combined stock and mutual,* the word "mutual" must be a part of the name.

(b) The articles of incorporation shall specify the kind or kinds of insurance proposed to be transacted.

(c) Each share of capital stock shall have a par value of not less than $1.00.

(d) If a mutual, *or a combined stock and mutual,* the articles of incorporation shall state the maximum contingent liability of its *participating policyholder* members, other than as to nonassessable policies, for payment of losses and expenses incurred. Such liability shall be as stated in the articles of incorporation, but shall not be less than one (1) or more than six (6) times the premium for member's policy at the annual premium rate for a term of one (1) year.

(e) The names and residence addresses of the incorporators.

(4) Unless otherwise provided in the articles of incorporation or an amendment thereto, each stockholder of a combined stock and mutual insurance company shall, at all meetings, be entitled to one vote for each share of common stock held by him and each holder of a policy entitled to participate in profits or savings shall be a member and, as such, shall be entitled to vote on the same basis to which he would be entitled in a mutual company under KRS 304.24-210.

Section 8. KRS 304.24-310 is amended to read as follows:

(1) If provided for in its articles of incorporation or charter, *an* [a stock insurer or mutual] insurer may issue any or all of its policies or contracts with or without participation in profits, savings, unabsorbed portions of premiums, may classify policies issued and risks insured on a participating and nonparticipating basis, and subject to KRS 304.15-380, may determine the right to participate and the extent of participation of any class or classes of policies. Any such classification or determination shall be reasonable.

(2) A life insurer may issue both participating and nonparticipating policies or contracts, only if the right or absence of right to participate is reasonably related to the premium charged.

(3) No dividend, otherwise earned, shall be made contingent upon the payment of renewal premium on any policy or contract.

The Committee on Cities reported **SB 20** with Committee Amendment attached thereto, and **SB 22** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 20, AN ACT relating to local government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 82A IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

(1) Whenever any person desires to offer for dedication by recorded plat any public way or easement within the city limits, he shall file with the city legislative body a map or plat of the territory bounded, intersected or immediately adjacent to the proposed public way or easement, showing the proposed name, nature and dimensions of the public way or easement offered for dedication. If the city legislative body decides the proposed dedication would be beneficial to the public interest and suitable for the immediate or future acceptance of the city, it shall approve the map or plat, and the mayor shall subscribe a certificate of approval on the map and acknowledge the execution thereof before any public officer authorized to take acknowledgments of deeds. The map or plat may then be recorded in the office of the county clerk.

(2) Property dedicated as a public way or easement by the owner within any territory subsequently annexed to a city shall not be a public way or easement of the city until dedication by the owner has been accepted by ordinance.

(3) When any property has been opened to the unrestricted use of the general public for five (5) consecutive years, it shall be conclusively presumed to have been dedicated to the city as a public way or easement, subject to acceptance by the city. The city may, at any time after the expiration of five (5) years from the time the property is opened to the public, pass an ordinance declaring it so dedicated, and accepting the dedication, whereupon it shall be a public way or easement of the city for all purposes. The lack of an actual dedication to the city, or of a record title on the part of the city, shall be no defense against the collection of any tax that may be levied against property abutting thereon for the payment of the cost of any improvement constructed thereon by order of the city. Nothing herein shall be construed to require the expiration of five (5) years to raise a presumption of dedication in any case where, under any rule of law in force in this state, a dedication would be presumed in less than five (5) years.

SECTION 2. A NEW SECTION OF KRS CHAPTER 82A IS CREATED TO READ AS FOLLOWS:

(1) Upon the adoption of an ordinance by the city legislative body closing the whole or any portion of a public way, the city shall institute an action in the circuit court to have it closed. All the owners of property abutting that public way, or the portion proposed to be closed, shall be made defendants.

(2) If all defendants fail to object to the closing within twenty (20) days after the date of service, the court shall render a decree accordingly, but if any defendant objects within that time, the court shall award damages, if any, in the same manner as prescribed by the eminent domain act of Kentucky and shall direct that the public way be closed upon payment into court of the amount awarded. The court shall give these proceedings precedence over other cases.

Section 3. KRS 93.360 Public ways — Dedication — Action to close — Damages, 94.360 Public ways and places — Control — Action to close, and 94.370 Dedication of public ways — Plats or maps filed only when accepted and recorded — Cities of fourth class are repealed.

The Committee Amendment No. 1 to **SB 20** is as follows:

Amend printed copy of **SB 20,** page 2, after Section 1(3), line 21, by adding the following:

"Provided, however, that no property of a carrier by rail, as defined in KRS 276.010(3), shall be presumed to be dedicated as a public way or easement under this section or any other rule of law in force in this state unless the carrier consents to said dedication in writing."

SB 22, AN ACT relating to cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

In order to update the record of incorporation of cities in the secretary of state's office, every city presently operating as a public corporation and a unit of local government shall file with the secretary of state within one (1) year of the effective date of this Act a document listing the name of the city, the year of its incorporation, the present classification and the present boundaries. If a city fails to comply with this section, it shall be barred from receiving state monies until such time as the city complies.

Section 2. KRS 81.050 is amended to read as follows:

(1) Proceedings to incorporate a city shall be commenced by a petition *being filed with the circuit clerk of the county in which the area to be incorporated is located. The petition shall contain:*

(a) The signatures and addresses of:

1. A number of registered voters equal to two-thirds (⅔) of the voters of the proposed territory, or

2. A number of real property owners equal to the owners of at least two-thirds (⅔) of the assessed value of the real property in the proposed territory;

(b) A statement of the boundaries proposed and the number of residents;

(c) An accurate map of the proposed territory;

(d) A detailed statement of the reasons for incorporation including the services sought from the proposed city;

(e) A description of the existing facilities and services within the proposed territory; and

(f) A statement of the form of government under which the city will operate if incorporated [signed by at least two-thirds (⅔) of the voters living within the boundary of the proposed city, or, in case of an incorporated taxing district having by charter a grant of municipal powers and exercising them, by its petition accompanied by request for such action signed by a majority of the voters resident in the district. The petition must be filed in the circuit clerk's office of the county in which the greater part of the territory is located].

(2) The petition shall be docketed for hearing not less than twenty (20) days from the date of filing the petition. Notice of the filing of the petition and of its object shall be given by publication pursuant to KRS chapter 424. [The petition shall set out the metes and bounds of the proposed city, the number of the voters in it and such other facts as may be thought proper and the date of the hearing on the petition.]

Section 3. KRS 81.060 is amended to read as follows:

(1) At the hearing the court shall, if the proper notice has been given or publication made, and no defense is interposed, enter a judgment establishing a *city as requested by the petition, filed pursuant to Section 2 of this Act, if the court finds as a matter of law that the following standards have been met:*

(a) At least three hundred (300) persons reside in the territory sought to be incorporated;

(b) Incorporation constitutes a reasonable way of providing the public services sought by the voters or property owners of the territory, and there is no other reasonable way of providing the services;

(c) The territory is contiguous;

(d) The territory is able to provide necessary city services to its residents within a reasonable period after its incorporation; and

(e) The interest of other areas and adjacent local governments is not unreasonably prejudiced by the incorporation.

(2) In determining whether the standards for incorporation have been met, the court shall consider, but shall not be limited to the consideration of the following criteria:

(a) Whether the character of the territory is urban or rural;

(b) The ability of any existing city, county or district to provide needed services;

(c) Whether the territory and any existing city are interdependent or part of one community;

(d) The need for city services in the territory;

(e) The development scheme of applicable land-use plans;

(f) The area and topography of the territory; and

(g) The effect of the proposed incorporation on the population growth and assessed valuation of the real property in the territory [town in accordance with the prayer of the petition, naming it and describing the boundary thereof, by metes and bounds, and appointing therefor not less than five (5) trustees, a marshal and assessor, who shall hold their respective offices until the next election at which officers for cities and towns may be elected].

(3) Defense may be made to the petition by any inhabitant of the proposed *city* [town], and if defense is made, the court shall hear and determine the same, and render a judgment establishing or refusing to establish a *city* [town], as may seem proper.

(4) If the court renders judgment granting the petition, the order shall set out the name of the city, a metes and bounds description of its boundaries, the population contained therein and the class to which the city shall be assigned by reason of its population. The order shall appoint the officers appropriate to the class of the new city, who shall hold their respective offices until the next regular election at which city officers are elected, at which time officers shall be elected by the residents of the new city [But if the court shall be satisfied that the population within the prescribed boundary is sufficient, and the proper notice or publication has been made or given, it shall have no discretion as to the establishment of the town. The pleadings and practice, except as herein provided, shall be the same as in equity causes, but no appeal shall lie from the judgment].

(5) Whenever any *city* [town] shall be established in the manner above provided, the court shall in the judgment direct the clerk of the court wherein such judgment is entered to, not later than ten (10) days thereafter, certify a copy thereof to the secretary of state, whose duty it shall be to properly index and file the same as a permanent record in his office.

SECTION 4. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) If any city fails for one (1) year to maintain a city government by the election or appointment of officers and the levying and collection of necessary taxes, it may be dissolved by judgment of the circuit court on petition filed by a bona fide resident of the city.

(2) A city may be dissolved by judgment of the circuit court on petition filed by a majority of the voters of the city. The petition shall contain the signature and address of each petitioner.

(3) Each petition for dissolution shall be filed in the circuit court of the county in which the greater part of the city is located and shall set out the name and class of the city, a metes and bounds description of its boundaries, the number of voters and residents therein, and other facts relevant to the petition.

SECTION 5. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Defense to the petition for dissolution may be made by any voter or resident of the city.

(2) Judgment dissolving a city may not be entered until:

(a) Notice has been published pursuant to KRS Chapter 424 by order of the court fixing a date by which motion for intervention may be filed; and

(b) Provision for equitable disposition of all assets of the city and discharge of all obligations of the city has been made and approved by the court.

(3) Whenever any city is dissolved the judgment shall direct the clerk of the circuit court wherein such judgment is rendered to certify a copy of said judgment not later than ten (10) days thereafter to the secretary of state whose duty it shall be to properly index and file the same as a permanent record in that office.

Section 6. The following KRS sections are repealed:

81.040 Population necessary for incorporation as a city — Boundaries.
82.010 Forfeiture of charter for failure to maintain city government.
82.020 Procedure for forfeiture of charter.
88.020 Dissolution of charter — Proceedings — Certification of judgment to secretary of state.

The Committee on Cities reported **SB 291, SB 295,** and **SB 311** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Consent Calendar.

SB 291, AN ACT changing the classification of the City of Campbellsburg, in Henry County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of Campbellsburg in Henry County, is such to justify it being classified as a city of the fifth class;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Campbellsburg, in Henry County, is transferred from the sixth to the fifth class.

SB 295, AN ACT changing the classification of the city of Ferguson in Pulaski County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of Ferguson in Pulaski County, is such to justify it being classified as a city of the fifth class;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Ferguson in Pulaski County is transferred from the sixth to the fifth class.

SB 311, AN ACT changing the classification of the City of Beaver Dam, in Ohio County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Beaver Dam, in Ohio County, is such as to justify its being classified as a city of the fourth class;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Beaver Dam, in Ohio County, is transferred from the fifth to the fourth class of cities.

The Committee on Counties and Special Districts reported **SB 278, SB 308, SB 327, SB 349, SB 353,** and **SB 390** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Consent Calendar.

SB 278, AN ACT relating to detention facilities and raising revenues therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 24A.175 is amended to read as follows:

(1) Court costs for a criminal case in the district court shall be:

(a) For an offense for which prepayment is permitted under KRS 189.394, 431.451, or 431.452 and for which prepayment has been made prior to trial as required by law *$20.00*[$15.00]

(b) For an offense for which prepayment is not permitted or has not been made *$25.00*[$20.00]

(2) There shall be no court costs for a parking citation when:

(a) The fine is paid to the clerk before the trial date in the same manner as provided for speeding citations under KRS 189.394(3); and

(b) The citation does not involve parking in a fire lane or blocking the traveled portion of the highway.

(3) Additional costs shall be assessed in district court criminal matters as follows:

(a) Preparing an attestation $ .50

(b) Preparing a certification 1.00

(c) Preparing a copy of a document (per page) .25

(4) Taxation of costs against a defendant, upon conviction, shall be mandatory and shall not be prorated or suspended.

(5) The circuit clerk shall, at the time fines and costs are paid over to the state, pay five dollars ($5.00) from each court cost collected pursuant to subsection (1) of this section to the county treasurer for use by the fiscal court for the sole purpose of defraying the costs of operation of the county jail.

SB 308, AN ACT relating to solid waste management.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 109.022 is amended to read as follows:

(1) The department shall promulgate rules, regulations, guidelines and criteria for cities and counties in creating solid waste management areas and planning for the management and recovery of solid waste, consistent with the statewide plan.

(2) Pursuant to such rules, regulations, criteria and guidelines, cities and counties, acting as solid waste management areas shall have a solid waste management plan by *July 1, 1982* [January 1, 1981]. *An extension not to exceed six (6) months shall be granted to cities and counties that can demonstrate a good faith effort is being made to develop a plan.*

(3) Any county or group of counties, or combination of cities and counties acting in accordance with the state comprehensive plan shall apply to the department for designation as a solid waste management area. Upon receipt of such application, the department shall either approve the creation of an area for solid waste management purposes or shall disapprove such application, and in the event of disapproval shall state in writing the reasons for such disapproval.

(4) Counties and cities are expressly authorized in addition to the powers enumerated in KRS Chapter 65 to contract with one another in order to regionalize solid waste management to the maximum extent practicable.

(5) In the event a solid waste management plan is prepared and submitted to and approved by the department by an area development district created pursuant to KRS 147A.050 to 147A.120, inclusive, which includes any entire county or city, such county or city shall be deemed by the filing of such area development district plan to have complied with the provisions of this section.

SB 327, AN ACT relating to mass transit authorities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 96A.370 is amended to read as follows:

(1) In addition to all other powers and rights granted by KRS Chapter 96A, public bodies are expressly authorized and empowered to enter into joint agreements and multi-municipal compacts with transit authorities, and all other units of government, both federal and state, for the acquisition, maintenance and operation of mass transportation facilities. Any such agreements may provide for proportionate payments by such public bodies for transit purposes based upon any reasonable criteria, including, but not by way of limitation, population and actual mass transit services rendered, or percentage of funding.

(2) Any such joint agreement or multi-municipal compact may provide by its terms that notwithstanding the fact that a mass transportation program, together with the source of funding therefor, has been approved by the electorate or electorates of one or more of such public bodies, any such public body may, in any annual period, in lieu of utilizing such source of funding as approved by the electorate of any such public body, use and apply for purposes of making payments or contributions under such joint agreement or multi-municipal compact any other funds of such public body legally available therefor. Provided, however, that any source of funding approved by the electorate in connection with the approval of such a mass transportation program shall not, as a result of such permissive funding by any such public body from other legally available sources, be rendered void or nugatory.

(3) Notwithstanding any provision to the contrary any transit authority created pursuant to this chapter may enter into agreements with the Commonwealth or agency thereof for the transportation of governmental employes to and from work stations located within or outside the authority's transit area. For the purposes of this subsection the Commonwealth may provide demonstration funds to encourage commuter transportation for its employes. These funds shall be limited to one (1) year of operation of new routes and shall not be used to subsidize the individual governmental employe's cost of transportation.

SB 349, AN ACT relating to county finance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 68.020 is amended to read as follows:

(1) The county treasurer shall receive and receipt for all money due the county from its collecting officers or from any other person whose duty it is to pay money into the county treasury, and shall *disburse* [hold] such money *in such manner and for such purpose as may be authorized by appropriate authority* [subject to the order] of the fiscal court. He shall not disburse any money received by him for any purpose

other than that for which it was collected and paid over to him, and when he pays out money he shall take a receipt therefor. All warrants for the payment of funds from the county treasury shall be co-signed by the county treasurer and the county judge/executive.

(2) He may, and when directed by the fiscal court shall, institute actions in the name of the county against all delinquent sheriffs or collectors of the county, and against anyone having money belonging to the county who fails or refuses to pay it over on demand when due. He shall keep a record of all actions he is directed to institute on behalf of the county, showing their condition and the money collected thereunder.

(3) He shall keep an accurate detailed account of all money received and disbursed by him for the county, and shall keep books of accounts of the financial transactions of the county in the manner required by any uniform system of accounting prescribed by the department for local government.

(4) The county treasurer shall, when required by the fiscal court, settle his accounts as county treasurer, and within thirty (30) days after the close of each fiscal year, he shall make a full and complete settlement for the preceding fiscal year with the fiscal court or with a person or persons whom the fiscal court, by order of record, appoints to make settlement with him. In case of a vacancy, the county judge/executive shall call a special term which shall proceed in the manner it deems proper to settle the accounts of the county treasurer.

SB 353, AN ACT relating to county finance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 68.197 is amended to read as follows:

(1) The fiscal court of each county having a population of *fifty-five thousand (55,000)* [thirty thousand (30,000)] or more, may by order or resolution impose license fees on franchises, provide for licensing any business, trade, occupation or profession, and the using, holding or exhibiting of any animal, article or other thing. License fees on such business, trade, occupation, or profession for revenue purposes, except those of the common schools, may be imposed at a percentage rate not to exceed one per cent (1%) of (a) salaries, wages, commissions and other compensation earned by persons within the county for work done and services performed or rendered in the county; and (b) the net profits of self-employed individuals, partnerships, professional associations, or joint ventures resulting from trades, professions, occupations, businesses or activities conducted in the county; and (c) the net profits of corporations resulting from trades, professions, occupations, businesses or activities conducted in the county. In order to reduce administrative costs and minimize paperwork for employers, employes and businesses, the fiscal court may provide (a) for an annual fixed amount license fee which a person may elect to pay in lieu of reporting and paying the percentage rate as provided above on salaries, wages, commissions and other compensation earned within the county for work done and services performed or rendered in the county and (b) for an annual fixed amount license fee which an individual, partnership, professional association, joint venture or corporation may elect to pay in lieu of reporting and paying the percentage rate as provided above on net profits of businesses, trades, professions or occupations from activities conducted in the county. Licenses imposed for regulatory purposes are not subject to such limitations as to form and amount. No public service company that pays an ad valorem tax is required to pay a license tax, and no license tax shall be imposed upon or collected from any insurance company, bank, trust company, combined bank and trust company, combined trust, banking and title business in this state, or any savings and loan association whether state or federally chartered, or in other cases where the county is prohibited by law from imposing a license tax.

(2) No such license fee shall be imposed or collected on income received by members of the Kentucky national guard for active duty training, unit training assemblies and annual field training.

(3) The fiscal court imposing license fees pursuant to subsection (1) of this section shall submit the question of the license fee to the voters of the county at the next general election. If the license fee is rejected by a majority of those voting in the election, the license fee shall be repealed effective December 31 of the same year.

(4) Persons who pay a county license fee pursuant to this section and who also pay a license fee to a city contained in the county may upon agreement between the county and the city, credit their city license fee against their county license fee.

SB 390, AN ACT relating to the area development fund.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 42.345 is amended to read as follows:

As used in KRS 42.350 to 42.370 the words:

(1) "Beneficiary agency" means an agency eligible to receive the benefit of a capital project to be wholly or partly financed out of the area development fund, including and limited to political subdivisions, special districts and agencies created pursuant to the interlocal cooperation act, or any combination thereof; *independent boards, authorities, commissions or districts created by statute;* and[,] not-for-profit corporations organized for public purposes and performing governmental functions and services;

(2) "Fund" means the area development fund established in the state treasury by KRS 42.350.

Section 2. KRS 42.350 is amended to read as follows:

(1) The area development fund in the state treasury shall be administered by the *department of finance* [executive department for finance and administration]. The fund may receive state appropriations, gifts, grants and federal funds and shall be disbursed by the state treasurer upon the warrant of the secretary of the [executive] department *of* [for] finance [and administration]. Any unallotted or unencumbered balances in the fund shall be invested in United States government securities maturing not later than one (1) year from the date of investment and the income from such investments shall be prorated for expenditure for capital projects in area development districts according to the formula provided in KRS 42.370.

(2) Money in the fund shall be used only for capital projects which contribute to community or *economic* [industrial] development in the Commonwealth[, KRS 45.050 notwithstanding]. Capital projects eligible for financing out of the fund include and shall be limited to:

(a) The construction, reconstruction, renovation and maintenance of buildings and other improvements to real estate;

(b) The acquisition of real property and interests in real property;

(c) The purchase of major items of equipment;

(d) Industrial site development projects, including land reclamation, clearing, grading, draining, landscaping, and the construction of walkways and fences;

(e) The extension and installation of *public* water, gas, sewer, and electrical utilities lines [to public facilities and industrial sites];

(f) *Public* [The provision of] solid waste [management or] disposal systems*;* [bringing counties into compliance with state or federal law.]

(g) All expenses incurred in connection with or incidental to the construction or acquisition of a capital project under this section, including architectural, engineering, legal, and other expenses required for such projects*;* [may be paid out of the fund.]

(h) Money in the fund may be used to retire a mortgage or other indebtedness encumbering an eligible capital project made *within the five (5) years immediately preceding filing of the project application with the department for local government* [on and after January 1, 1977] to secure the repayment of monies loaned or advanced to finance the construction or acquisition of such project, and may be used in match or in combination with funds obtained from other sources for an eligible capital project*;*[.]

(i) No money shall be expended out of the fund, directly or indirectly, to pay or reimburse the cost of any feasibility study, master plan for any capital improvement development or redevelopment project*;*[,] the purchase of consumable supplies, *including fuel, tires and other maintenance or operating expense for vehicles or equipment used on any project;* or any administrative, salary, or other operating or capital expense of any area development district*;*[,] or for the acquisition, construction, reconstruction, renovation or maintenance of any building or property of schools, state institutions of higher learning, or any road, street, bridge or highway.

(3) The board of directors of each area development district shall *select* [determine] from among [the] capital project proposals submitted [by eligible beneficiary agencies,] the capital projects [to be] proposed to be constructed or acquired out of the fund *in accordance with approved selection criteria as required under subsection (4) of this section. Each area development district shall establish a final date for receipt of proposals. The date shall be advertised in the newspaper of largest general circulation published in each county at least once not less than thirty (30) days prior to the established date and again at least once not less than fourteen (14) days prior to the date. Each advertisement shall state the amount of funds to be allocated, list the selection criteria to be used and state how an application form may be obtained.* [The area development districts shall submit to the secretary of the executive department for finance and administration through the department for local government the capital projects selected for construction or acquisition within the districts. Each project proposal shall include: a detailed description of the project; a statement of the public benefit to be derived from the project; if available, design plans and specifications for the project; an itemized estimate of the cost of the project; a statement of the sources and amounts of funds available from any other source for the construction or acquisition of the project; and such other information relating to the proposed capital project as the department for local government or the executive department for finance and administration may require.]

(4) The department for local government shall establish project selection criteria which meet statewide objectives. Each area development district shall incorporate state criteria into the criteria adopted by

the board of directors and submit such criteria to the department for local government for approval at least fourteen (14) working days prior to the first newspaper advertisement of the final date for receipt of proposals.

(5) Each area development district may allocate its total biennium allocation at one (1) time identifying which projects are to be funded in each fiscal year. Each area development district may withhold five percent (5%) of its annual allocation and any interest earned from state investments for emergencies. An emergency is defined as a project, which if not completed, will leave a void in essential services. Any funds held for emergencies and remaining unallocated at the close of the biennium shall be allocated to projects along with the next succeeding fiscal year's allocation.

(6) Each area development district shall submit to the department for local government the capital projects selected for construction or acquisition within the district. Each project proposal shall include a detailed description of the project; a statement of public benefit to be derived from the project; an itemized estimate of the cost of the project; a statement of the sources and amounts of funds available from any other source for the construction or acquisition of the project; and such other information relating to the proposed capital project as the department for local government may require. In the event the amount requested from the fund exceeds fifty thousand dollars ($50,000) but is less than one hundred thousand dollars ($100,000), the applicant shall submit to the department for local government design plans and specifications prepared by a licensed architect or engineer; if it is a property acquisition project, the applicant shall submit a survey by a licensed surveyor and at least one (1) appraisal by a qualified appraiser and an abstract of title or title opinion by a licensed attorney.

Section 3. KRS 42.355 is amended to read as follows:

(1) The department for local government shall examine each capital project selected by the area development districts, and when it finds that a proposed project conforms to the requirements of KRS 42.350 to 42.370; that the estimated costs of the project are reasonable; that the costs proposed to be paid from the fund are within the amount available; and that the proposed beneficiary agency will be reasonably able to finance the operation and maintain the capital project during its estimated useful life, the commissioner of the department for local government shall transmit the project proposal to the secretary of the [executive] department *of* [for] finance [and administration] with a recommendation for approval. If the department for local government determines that a capital project proposal does not conform to the requirements of KRS 42.350 to 42.370, that the estimated costs of the project are excessive or unreasonable in light of the public benefit to be derived from the project, or[,] the unencumbered balance in the fund available for expenditure in the area development district is insufficient to pay [the costs of the project, or] the part [thereof] proposed to be paid out of the fund, or the beneficiary agency cannot reasonably finance the operation of or maintain the capital project during its estimated useful life, the project proposal shall be disapproved by the department for local government. The final decision to either approve or disapprove any project proposal shall be made no later than forty-five (45) days following official submittal by the area development district, and the area development district shall be accordingly notified at that time.

(2) *The department of finance may authorize a direct grant in aid of money out of the fund to any beneficiary agency for the construction or acquisition of any approved capital project if the amount requested from the fund in the proposal is less than one hundred thousand dollars ($100,000). When a direct grant in aid has been made to a beneficiary agency, all contracts awarded for supplies, services, construction or realty shall be awarded in accordance with KRS Chapter 45A.*

(a) Each beneficiary agency receiving a direct grant in aid under this subsection shall keep and maintain complete and accurate records of accounts of all expenditures of the grant moneys and such records shall be subject to examination by the department for local government at any time and the moneys shall be subject to audit by the Commonwealth for a period of five (5) years after completion of the capital project.

(b) Each beneficiary agency shall return to the Commonwealth upon demand all moneys received as a grant in aid from the fund, together with all interest earned thereon, or shall forfeit any money approved for a capital project which has not been commenced within twelve (12) months after receipt of the grant funds or after approval of the project by the department for local government. Moneys, together with any interest thereon, which have been expended in violation of the laws or regulations governing said grant in aid shall be returned to the Commonwealth upon demand. Upon completion of a capital project the beneficiary agency shall provide the department for local government an accounting of all expenditures and promptly return to the Commonwealth all grant moneys, including interest earned thereon, not required for the project after all the costs of the project have been paid, and such moneys shall be reallocated for other capital projects in the area development district in which such money had been allocated. Interest earned on grant moneys may be applied to the capital project with approval of the department for local government. [When the secretary of the executive department for finance and administration has approved a capital project, the executive department for finance and administration shall cause detailed cost estimates, site surveys, appraisals, architectural and engineering designs, and plans and specifications to be prepared,

award and enter into contracts, and do all other things necessary and proper for the construction or acquisition of the capital project; provided, however, that the department may, in its discretion, adopt and rely upon detailed cost estimates, site surveys, appraisals, architectural designs and plans and specifications for capital projects prepared for and submitted by the beneficiary agency of the proposed project.]

(3) Except when a direct grant for a capital project is made to a beneficiary agency as authorized under subsection *(2)*[(4)] of this section, the [executive] department *of* [for] finance [and administration] shall award, [and] administer, *and* [or shall delegate to beneficiary agencies, and] control, [the award and administration] all contracts for the construction or acquisition of all capital projects [wholly financed out of the fund], in accordance with the provisions of KRS Chapters 45*A* and 56. *The department of finance may delegate to the beneficiary agency the planning, design, award, administration and control of all contracts for supplies, services and construction and for acquisition, improvement or administration of real estate.* All contracts awarded under this section for the construction, reconstruction or renovation of a building or other improvement to real estate shall be deemed to be contracts for public works within the meaning of KRS Chapters 341, 376 and other applicable laws. *Real property acquired as part of a capital project may be transferred from the seller to the beneficiary agency without title passing through the Commonwealth.*

(4) [The secretary of the executive department for finance and administration, after consultation with the commissioner of the department for local government, may make direct grants in aid of money out of the fund to any beneficiary agency for the construction or acquisition of any approved capital project, the estimated cost of which does not exceed the greater amount of fifty thousand dollars ($50,000), or one-third (⅓) of the total estimated cost of the project. When a direct grant in aid has been made to a beneficiary agency, all contracts awarded for the purchase of materials, supplies, equipment or services, except professional and technical services, required for the construction or acquisition of the project shall be awarded to the lowest and best bidder in the discretion of the beneficiary agency after public advertisement as required by KRS Chapter 424 or other applicable law. All beneficiary agencies receiving a direct grant in aid under this subsection shall keep and maintain complete and accurate records of accounts of all expenditures of the grant monies which shall be subject to audit by the Commonwealth for a period of five (5) years after completion of the capital project. Any grant monies not required after all of the costs of the capital project have been paid by the beneficiary agency shall be promptly returned to the Commonwealth for reallocation for expenditure for other capital projects in the area development district to which such funds had been originally allocated.

(5)] No capital project shall be constructed under KRS 42.350 to 42.370 except upon land to which (a) the Commonwealth, a political subdivision of the Commonwealth or the beneficiary agency of the capital project has a good and marketable title, free of encumbrances, or (b) the beneficiary agency of the project has the right to the uninterrupted use, occupancy and possession for a period longer than the estimated useful life of the capital project; provided nothing herein shall prohibit the construction or renovation of public buildings on land with an existing encumbrance to secure payment of funds obtained for the acquisition or improvement of said land. Each beneficiary agency shall execute and deliver to the Commonwealth its written assurances, which shall be binding on such agencies' successors and assigns, guaranteeing that during its estimated useful life, the capital project shall be operated and maintained for public purposes and pledging that no mortgage or other encumbrances shall be placed against any capital project wholly financed out of the fund, except industrial development projects, for the breach of which assurances the Commonwealth shall have right of entry to the capital project and the beneficiary agency, or its successors and assigns, shall forthwith convey the title to the capital project to the Commonwealth. Similar assurances shall be executed and delivered to the Commonwealth by the beneficiary agencies of capital projects financed in part out of the fund and in part from other sources, except that when such additional funding is derived from the issuance and sale of revenue bonds or under other statutorily authorized financing methods, to secure the repayment of which funds a statutory mortgage lien is granted in favor of any person or group of persons, the capital project may be encumbered to the extent authorized or required by the law under which such financing method was undertaken; nor shall anything in this section prohibit the encumbrance of any real property located within an industrial park or constituting an industrial site, developed or improved as a capital project under KRS 42.350 and this section, by any person, firm, company, partnership, or corporation to which such property has been conveyed, to obtain financing for the construction upon such property of industrial and commercial buildings. The written assurances provided by beneficiary agencies under this section shall be lodged for recording and recorded in the office of the county clerk of the county in which the proposed project shall be located.

Section 4. KRS 42.360 is amended to read as follows:

The secretary of the *development cabinet and the secretary of* [executive department for] finance [and administration] shall promulgate such rules and regulations governing submission and approval of proposed capital projects, the expenditure of moneys from the fund, the designation of beneficiary agencies and the title to capital projects and real property involved in capital projects as shall be appropriate to the implementation of KRS 42.350 and 42.355.

The Committee on Labor and Industry reported **SB 296** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 296, AN ACT relating to plumbing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 318.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Department" means department of housing, buildings and construction;

(2) "Journeyman plumber" means a person who engages or offers to engage, either as an occupation or otherwise, in the construction, installation, alteration, maintenance, repair, remodeling or removal, and replacement of plumbing under the supervision, direction and responsibility of a master plumber;

(3) "Master plumber" means a person who assumes responsible charge, supervision or direction of journeyman plumbers, plumbers' apprentices and other persons in the construction, installation or alteration of plumbing or who engages in, offers to engage in or advertises or otherwise represents that he is permitted or qualified to engage in the design, planning, superintending, contracting for or responsible charge of plumbing;

(4) "Plumbing" means the art of installing in buildings the pipes for distributing the water supply, the fixtures for using water and drainage pipes for removing waste water and sewage, together with fittings, appurtenances, and appliances of various kinds, all within or adjacent to the building. It shall include:

(a) The water service pipe which forms the connection between the property line and the building other than piping serving fire-fighting equipment;

(b) Private water supply systems;

(c) House sewers which convey the waste water and sewage from the building to the property line or other points of disposal but not including sewers located between manholes and sewers extending five (5) feet from a main or manhole on private property; and

(d) Storm sewers and rain water piping located within a building to a point two (2) feet outside of the building and private sewage disposal systems other than those which have a treated affluent.

(5) "Public building" means any building intended for public use or built with public funds and includes but is not limited to the following: schools, industrial establishments, housing projects, restaurants, food-handling establishments, private clubs, theaters including drive-ins, trailer coach parks, camping areas, hospitals, nursing homes, hotels, motels, tourist courts, rooming houses, boarding houses, and other establishments furnishing public sleeping accommodations;

(6) "Maintenance man" means a person employed to maintain and keep plumbing in good repair;

(7) "Apprentice" means a person in the process of learning the plumbing trade who assists and is under the personal supervision of a licensed master or licensed journeyman plumber;

(8) "Farmstead" means a farm dwelling together with other farm buildings and structures incident to the operation and maintenance of the farm located outside the corporate limits of a municipality and not connected to a public water supply;

(9) "Person" means any individual, public or private corporation, political subdivision, government agency, municipality, co-partnership, association, firm, trust, estate, or other entity whatsoever;

(10) "Commissioner" means the commissioner of the department of housing, buildings and construction;

(11) "Code" means the Kentucky state plumbing code.

(12) "Septic tank installer" means a person who engages or offers to engage in the occupation of installation of septic tanks and drain fields only, without the supervision of a master plumber.

Section 2. KRS 318.015 is amended to read as follows:

(1) This chapter applies and shall be in full force and effect in all counties of the Commonwealth.

(2) The state plumbing code promulgated by the department under the provisions of this chapter applies and shall be in full force and effect for all public buildings regardless of location in the Commonwealth.

(3) This chapter shall not apply to farmsteads.

(4) In any county not containing a city of the first or second class septic tanks and drain fields may be installed by a person licensed as a septic tank installer in accordance with the provisions of this chapter.

SECTION 3. A NEW SECTION OF KRS CHAPTER 318 IS CREATED TO READ AS FOLLOWS:

A duly licensed septic tank installer engaged in the installation of septic tanks and drain fields shall not be considered in violation of KRS 318.030.

Section 4. KRS 318.040 is amended to read as follows:

(1) An applicant for a master or journeyman plumber's license *or a septic tank installer's license* shall:

(a) Be at least eighteen (18) years of age;

(b) Be of good moral character;

(c) Be a citizen of the United States or have filed with the United States district court "first papers" for United States citizenship; and

(d) Possess all the other qualifications that may be prescribed by rules and regulations of the commissioner.

(2) Except as otherwise provided in this chapter, no master or journeyman plumber's license *or septic tank installer's license* shall be issued except upon a successful passage of an examination as prescribed by the department.

(3) Examinations for a license as a master plumber or journeyman plumber *or septic tank installer* shall be conducted at such times and places as may be fixed by the regulations of the commissioner. Applicants for an examination shall furnish such information as may be required by the commissioner and shall receive from the department due notice of the time and place of the examination.

(4) The department shall prepare or cause to be prepared under its supervision examinations consisting of written and practical tests with such questions and tests as in the discretion of the department will determine:

(a) With respect to master plumber's license applicants, that such applicants are qualified in view of the definitions, provisions, and purposes of this chapter to carry on responsibly, reasonably, and competently, the activities which a licensed master plumber is authorized to engage in by this chapter; and

(b) With respect to journeyman plumber's license applicants,, their knowledge and competency to carry on the activities which a licensed journeyman plumber is authorized to engage in by this chapter.

(c) With respect to septic tank installer's license applicants, their knowledge and competency to carry on activities related to the installation of septic tanks and drain fields.

(5) The examination papers shall be preserved by the department for a period of one (1) year.

Section 5. KRS 318.050 is amended to read as follows:

Each application for a license as a master or journeyman plumber *or as a septic tank installer* shall be accompanied by a reasonable fee as established by the department.

Section 6. KRS 318.054 is amended to read as follows:

(1) Every master and journeyman plumber's license *or septic tank installer's license* issued by the department shall expire on June 30 of each year following the date of issuance unless sooner canceled or revoked.

(2) On or before June 1 of each year; the department shall send notices to all licensed master and journeyman plumbers in this state *and to all licensed septic tank installers*, at their last known addresses, advising them that the annual license renewal fee is due on July 1. The annual license renewal fee shall be a reasonable fee set by regulation of the department. The fee for the renewal of a master plumber's license shall exceed the fee charged for a journeyman plumber's license. *The fee for the renewal of a journeyman plumber's license shall exceed the fee charged for a septic tank installer's license.*

(3) Any master or journeyman plumber *or septic tank installer* who fails to renew his license on or before July 1 of each year may have his license renewed upon payment of the required renewal fee and a revival fee. The revival fee for a master plumber shall be five dollars ($5.00) and for a journeyman plumber three dollars ($3.00) *and for septic tank installer two dollars ($2.00).* If the renewal and revival fees are not paid by January 1 of the following year, such licenses shall be automatically canceled by operation of law for nonpayment; Provided, however, That such licenses may be reinstated upon payment of all delinquent renewal fees plus a revival fee of ten dollars ($10.00) for a master plumber and six dollars ($6.00) for a journeyman plumber *and five dollars ($5.00) for a septic tank installer.* Upon presentation of proper evidence, the department may waive payment of any renewal or revival fee specified herein for persons serving on active duty in the armed forces of the United States.

Section 7. KRS 318.064 is amended to read as follows:

The department may revoke or suspend any plumber's license *or any septic tank installer's license* issued by it upon proof that the licensee has:

(1) Knowingly violated the provisions of this chapter or the Kentucky state plumbing code, or the rules and regulations of the department;

(2) Practiced fraud or deception in applying for or obtaining a license;

(3) Is incompetent to perform services as a licensed master plumber or a licensed journeyman plumber *or a licensed septic tank installer*;

(4) Permitted his license to be used directly or indirectly by another to obtain or perform plumbing work or services; or

(5) Is guilty of such other unprofessional or dishonorable conduct of a character likely to deceive or defraud the public.

Section 8. KRS 318.080 is amended to read as follows:

(1) In order to conduct examinations for persons to qualify as licensed master plumbers or journeyman plumbers *or septic tank installers*, the department shall appoint as examiners the following persons to a state plumbers examining committee: An employe of the department and three (3) other persons who shall be licensed either as master or journeyman plumbers. The commissioner shall be an ex officio examiner and permanent commissioner of the committee. With the exception of the issuance of any order involving the revocation, suspension or cancellation of a master or journeyman plumber's license, the commissioner may delegate to a subordinate employe in the department the power to be present and participate, including the right to vote, as his representative at any meeting, hearing or other proceeding of the state plumbers examining committee. Plumber examiners shall serve at the pleasure of the department.

(2) The department shall appoint assistant plumber examiners who shall be qualified licensed master or journeyman plumbers who shall serve at the pleasure of the department. Assistant plumber examiners shall perform such duties as are delegated to them by the state plumbers examining committee.

(3) Plumber examiners and assistant plumber examiners shall receive no compensation for their services but shall be reimbursed for their necessary traveling expenses.

Section 9. KRS 318.100 is amended to read as follows:

No person shall advertise or hold himself out as a licensed master or licensed journeyman plumber *or as a licensed septic tank installer* within the commonwealth of Kentucky unless he is a holder of a license from the department in accordance with the provisions of this chapter.

The Committee on Natural Resources and Environment reported **SB 315** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 315, AN ACT relating to motor vehicle emission inspections and maintenance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the General Assembly expresses its concern that the Commonwealth comply with the requirements of the federal clean air act (P.L. 95-95) in order to protect the health of its citizens and to allow for further economic growth and development in those areas designated nonattainment for auto-related pollutants.

Section 2. That it is the intent of the General Assembly to enable the establishment and enforcement of an automobile emission inspection and maintenance program and other auto pollution control strategies in counties designated nonattainment for such pollutants which are part of urbanized areas with populations greater than two hundred thousand (200,000) by December 31, 1982, as necessary to qualify for extensions available under the federal clean air act for meeting ambient air quality standards.

Section 3. That the Legislative Research Commission be directed to appoint a special subcommittee on auto emission pollution with membership from both houses of the legislature. The subcommittee shall consist of fifteen (15) members, with ten (10) members appointed from among those legislators representing Jefferson county and five (5) members from among those representing Boone, Kenton, and Campbell counties.

Section 4. That the special subcommittee shall work in conjunction with the department for natural resources and environmental protection and all other interested persons to enable the Commonwealth to achieve compliance with the requirements of the federal clean air act for automotive pollutants in areas designated nonattainment by the U. S. EPA for said pollutants which are part of urbanized areas with a population greater than two hundred thousand (200,000).

Section 5. That any regulation promulgated by the department for natural resources and environmental protection relating to an automobile emission inspection program shall be implemented and enforced unless said regulation is disapproved by the special subcommittee. Any action by the department to implement and enforce regulations relating to an automobile emission inspection program in the event of the disapproval of the special subcommittee would be contrary to the intent of the General Assembly.

Section 6. It is estimated that the operation of the subcommittee and the provision of staff services will cost approximately seven thousand dollars ($7,000), such monies to be provided from the regular budget of the Legislative Research Commission.

The Committee on State Government reported **HB 937, SB 215, SB 229, SB 284, SB 290, SB 292** with Committee Amendment attached thereto, **SB 364** with Committee Amendment attached thereto, **SB 368** and **HR 116** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 937, AN ACT relating to the state law library.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 27A.210 is amended to read as follows:

(1) The following books and records shall be maintained by the state law library:

(a) All copies of volumes 1 to 77 of the Kentucky reports;

(b) Twenty-five (25) copies each of volumes 78 to 314 of the Kentucky reports;

(c) *Two (2)* [Six (6)] sets [each] of all future publications of the journals and *six (6) sets of all future publications of the* acts of the general assembly; and

(d) Two (2) sets of the official Kentucky statute publications.

(2) [The state law librarian shall arrange with the proper official of each state of the United States and of the United States and its territories for the exchanges of the statutes and the acts of the legislatures of each state and of congress. When an exchange is agreed upon, the state law librarian shall send to such officer one (1) copy of the acts of the general assembly and one set of statutes as soon as they are ready for distribution.

(3) Copies of acts, statutes and other materials required to be kept by the state law librarian and to be made available for exchange shall be furnished to the state law librarian, without charge, by the agency or official responsible for the distribution of same.

(4)] The state law librarian may arrange for the distribution or disposal of materials held by the state law library upon concurrence of the administrative assistant to the chief justice responsible for law library operations.

(3)[(5)] The state law librarian may acquire, by purchase, exchange, donation, or otherwise, such books and other materials as he deems suitable for the holdings of the state law library.

(4)[(6)] The state law librarian may, with the concurrence of the administrative assistant to the chief justice responsible for law library operations, sell such surplus books in the state law library as have a market value, collect the funds received therefor, and deposit them in the "state law library surplus books fund," which is hereby created in the state treasury. The "state law library surplus books fund" shall not lapse. The state law librarian may reinvest such funds in other books and materials that he deems suitable for the holdings of the state law library. The provisions of KRS 45.360(7) concerning the powers and duties of the executive department for finance and administration shall not apply to sales made by the state law librarian hereunder.

(5)[(7)] The state law librarian may, with the concurrence of the administrative assistant to the chief justice responsible for law library operations, offer and provide technical and other assistance to county law libraries and to other publicly funded law libraries.

(6)[(8)] The state law librarian may, upon the request of a county law library or other publicly funded law library and with the concurrence of the administrative assistant to the chief justice responsible for law library operations, purchase books, supplies, or other materials for such library. The funds used for such purposes shall be those of the county law library or other publicly funded law library.

(7)[(9)] The state law librarian shall issue, with the concurrence of the administrative assistant to the chief justice responsible for law library operations, regulations for the operation, management, and lending policy of the state law library.

SB 215, AN ACT relating to the Kentucky national guard.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 38.500 is amended to read as follows:

(1) There is hereby established within the department of military affairs the Kentucky national guard educational encouragement fund.

(2) The adjutant general may authorize the payment from the fund established in subsection (1) of fifty percent (50%) of any matriculation or tuition fee, but not more than two hundred and fifty dollars ($250) per term nor *seven hundred and fifty dollars ($750)* [five hundred dollars ($500)] within any twelve-month period, for each member of the active Kentucky national guard who is admitted to any state supported university, college, community college or vocational education school located in Kentucky as a full-time or part-time student.

(3) To be eligible to receive benefits from the fund, a person must be a member in good standing of the active Kentucky national guard *and one who commits himself to service in the Kentucky national guard for at least one (1) year beyond the end of the term* [at the beginning of and throughout the entire semester] for which benefits are payable.

(4) The adjutant general shall, in accordance with KRS Chapter 13, make rules and regulations necessary for the administration of the fund established in subsection (1).

SB 229, AN ACT relating to the Kentucky national guard.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 38.205 is amended to read as follows:

Except when in the service of the United States, officers and enlisted men, when employed in active state service, beginning with the day they assemble at their armories or other designated places until the day they return thereto and have been properly relieved, inclusive, fractional parts of a day counting as a full day, shall receive pay at the same rate as though serving on active duty as a member of the armed forces of the United States, but the rate shall not be less than *twelve times the prevailing federal minimum hourly wage* [$25.00] per day. Members of the Kentucky national guard may, however, with their consent, be ordered to active state service in a nonpay status.

SB 284, AN ACT relating to development.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 147.580 is amended to read as follows:

The Southern Growth Policies Agreement is hereby enacted into law and entered into by this state, in the form substantially as follows:

Article I. Findings and Purposes.

(1) The party states find that the South has a sense of community based on common social, cultural and economic needs and fostered by a regional tradition. There are vast potentialities for mutual improvement of each state in the region by cooperative planning for the development, conservation and efficient utilization of human and natural resources in a geographic area large enough to afford a high degree of flexibility in identifying and taking maximum advantage of opportunities for healthy and beneficial growth. The independence of each state and the special needs of subregions are recognized and are to be safeguarded. Accordingly, the cooperation resulting from this Agreement is intended to assist the states in meeting their own problems by enhancing their abilities to recognize and analyze regional opportunities and take account of regional influences in planning and implementing their public policies.

(2) The purposes of this Agreement are to provide:

(a) Improved facilities and procedures for study, analysis and planning of governmental policies, programs and activities of regional significance.

(b) Assistance in the prevention of interstate conflicts and the promotion of regional cooperation.

(c) Mechanisms for the coordination of state and local interests on a regional basis.

(d) An agency to assist the states in accomplishing the foregoing.

Article II. The Board.

(1) There is hereby created the Southern Growth Policies Board, hereinafter called "the Board."

(2) The Board shall consist of five members from each party state, as follows:

(a) The Governor.

(b) Two members of the State Legislature, one appointed by the presiding officer of each house of the Legislature or in such other manner as the Legislature may provide.

(c) Two residents of the state who shall be appointed by the Governor to serve at his pleasure.

(3) In making appointments pursuant to paragraph (2)(c), a Governor shall, to the greatest extent practicable, select persons who, along with the other members serving pursuant to paragraph (2), will make the state's representation on the Board broadly representative of the several socio-economic elements within his state.

(4) A Governor may be represented by an alternate with power to act in his place and stead, if notice of the designation of such alternate is given to the Board in such manner as its Bylaws may provide.

(5) A legislative member of the Board may be represented by an alternate with power to act in his place and stead, unless the laws of his state prohibit such representation and if notice of the designation of such alternate is given to the Board in such manner as its By laws may provide. An alternate for a legislative member of the Board shall be selected by the member from among the members of the legislative house in which he serves.

(6) A member of the Board serving pursuant to paragraph (2)(c) of this Article may be represented by another resident of his state who may participate in his place and stead, except that he shall not vote: provided that notice of the identity and designation of the representative selected by the member is given to the Board in such manner as its Bylaws may provide.

Article III. Powers.

(1) The Board shall prepare and keep current a Statement of Regional Objectives, including recommended approaches to regional problems. The Statement may also identify projects deemed by the Board to be of regional significance. The Statement shall be available in its initial form two years from the effective date of this Agreement and shall be amended or revised no less frequently than once every six years. The Statement shall be in such detail as the Board may prescribe. Amendments, revisions, supplements or evaluations may be transmitted at any time. An annual Commentary on the Statement shall be submitted at a regular time to be determined by the Board.

(2) In addition to powers conferred on the Board elsewhere in this Agreement, the Board shall have the power to make or commission studies, investigations and recommendations with respect to:

(a) The planning and programming of projects of interstate or regional significance.

(b) Planning and scheduling of governmental services and programs which would be of assistance to the orderly growth and prosperity of the region, and to the well-being of its population.

(c) Effective utilization of such federal assistance as may be available on a regional basis or as may have an interstate or regional impact.

(d) Measures for influencing population distribution, land use, development of new communities and redevelopment of existing ones.

(e) Transportation patterns and systems of interstate and regional significance.

(f) Improved utilization of human and natural resources for the advancement of the region as a whole.

(g) Any other matters of a planning, data collection or informational character that the Board may determine to be of value to the party states.

Article IV. Avoidance of Duplication.

(1) To avoid duplication of effort and in the interest of economy, the Board shall make use of existing studies, surveys, plans and data and other materials in the possession of the governmental agencies of the party states and their respective subdivisions or in the possession of other interstate agencies. Each such agency, within available appropriations and if not expressly prevented or limited by law, is hereby authorized to make such materials available to the Board and to otherwise assist it in the performance of its functions. At the request of the Board, each such agency is further authorized to provide information regarding plans and programs affecting the region, or any subarea thereof, so that the Board may have available to it current information with respect thereto.

(2) The Board shall use qualified public and private agencies to make investigations and conduct research, but if it is unable to secure the undertaking of such investigations or original research by a qualified public or private agency, it shall have the power to make its own investigations and conduct its own research. The Board may make contracts with any public or private agencies or private persons or entities for the undertaking of such investigations or original research within its purview.

(3) In general, the policy of paragraph (2) of this Article shall apply to the activities of the Board relating to its Statement of Regional Objectives, but nothing herein shall be construed to require the Board to rely on the services of other persons or agencies in developing the Statement of Regional Objectives, or any amendment, supplement or revision thereof.

Article V. Advisory Committees.

The Board shall establish a Local Governments Advisory Committee. In addition, the Board may establish advisory committees representative of subregions of the South, civic and community interests, industry, agriculture, labor or other categories or any combinations thereof. Unless the laws of a party state contain a contrary requirement, any public official of the party state or a subdivision thereof may serve on an advisory committee established pursuant hereto and such service may be considered as a duty of his regular office or employment.

Article VI. Internal Management of the Board.

(1) The members of the Board shall be entitled to one vote each. No action of the Board shall be binding unless taken at a meeting at which the majority of the total number of votes on the Board are cast in favor thereof. Action of the Board shall be only at a meeting at which a majority of the members or their alternates are present. The Board shall meet at least once a year. In its Bylaws, and subject to such directions and limitations as may be contained therein, the Board may delegate the exercise of any of its powers relating to internal administration and management to an Executive Committee or the Executive Director. In no event shall any such delegation include a final approval of:

(a) A budget or appropriation request.

(b) The Statement of Regional Objectives or any amendment, supplement or revision thereof.

(c) Official comments on or recommendations with respect to projects of interstate or regional significance.

(d) The annual report.

(2) To assist in the expeditious conduct of its business when the full Board is not meeting, the Board shall elect an Executive Committee of not to exceed *twenty-three (23)* [seventeen] members, including at least one member from each party state. The Executive Committee, subject to the provisions of this Agreement and consistent with the policies of the Board, shall be constituted and function as provided in the Bylaws of the Board. One-half of the membership of the Executive Committee shall consist of Governors, and the remainder shall consist of other members of the Board, except that at any time when there is an odd number of members on the Executive Committee, the number of Governors shall be one less than half of the total membership. The members of the Executive Committee shall serve for terms of two years, except that members elected to the first Executive Committee shall be elected as follows: one less than half of the membership for two years and the remainder for one year. The Chairman, Chairman-Elect, Vice Chairman and treasurer of the Board shall be members of the Executive Committee and anything in this paragraph to the contrary notwithstanding shall serve during their continuance in these offices. Vacancies in the Executive Committee shall not affect its authority to act, but the Board at its next regularly ensuing meeting following the occurrence of any vacancy shall fill it for the unexpired term.

(3) The Board shall have a seal.

(4) The Board shall elect, from among its members, a Chairman, a Chairman-Elect, a Vice Chairman and a Treasurer. Elections shall be annual. The Chairman-Elect shall succeed to the office of Chairman for the year following his service as Chairman-Elect. For purposes of the election and service of officers of the Board, the year shall be deemed to commence at the conclusion of the annual meeting of the Board, and terminate at the conclusion of the next annual meeting thereof. The Board shall provide for the appointment of an Executive Director. Such Executive Director shall serve at the pleasure of the Board, and together with the Treasurer and such other personnel as the Board may deem appropriate shall be bonded in such amounts as the Board shall determine. The Executive Director shall be Secretary.

(5) The Executive Director, subject to the policy set forth in this Agreement and any applicable directions given by the Board, may make contracts on behalf of the Board.

(6) Irrespective of the civil service, personnel or other merit system laws of any of the party states, the Executive Director, subject to the approval of the Board, shall appoint, remove or discharge such personnel as may be necessary for the performance of the functions of the Board, and shall fix the duties and compensation of such personnel. The Board in its Bylaws shall provide for the personnel policies and programs of the Board.

(7) The Board may borrow, accept or contract for the services of personnel from any party jurisdiction, the United States, or any subdivision or agency of the aforementioned governments, or from any agency of two or more of the party jurisdictions or their subdivisions.

(8) The Board may accept for any of its purposes and functions under this Agreement any and all donations, and grants of money, equipment, supplies, materials and services, conditional or otherwise, from any state, the United States, or any other governmental agency, or from any person, firm, association, foundation, or corporation, and may receive, utilize and dispose of the same. Any donation or grant accepted by the Board pursuant to this paragraph or services borrowed pursuant to paragraph (7) of this Article shall be reported in the annual report of the Board. Such report shall include the nature, amount and conditions, if any, of the donation, grant, or services borrowed, and the identity of the donor or lender.

(9) The Board may establish and maintain such facilities as may be necessary for the transacting of its business. The Board may acquire, hold, and convey real and personal property and any interest therein.

(10) The Board shall adopt Bylaws for the conduct of its business and shall have the power to amend and rescind these Bylaws. The Board shall publish its Bylaws in convenient form and shall file a copy thereof and a copy of any amendment thereto, with the appropriate agency or officer in each of the party states.

(11) The Board annually shall make to the Governor and Legislature of each party state a report covering the activities of the Board for the preceding year. The Board at any time may make such additional reports and transmit such studies as it may deem desirable.

(12) The Board may do any other or additional things appropriate to implement powers conferred upon it by this Agreement.

Article VII. Finance.

(1) The Board shall advise the Governor or designated officer or officers of each party state of its budget of estimated expenditures for such period as may be required by the laws of that party state. Each of the Board's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states.

(2) The total amount of appropriation requests under any budget shall be apportioned among the party states. Such apportionment shall be in accordance with the following formula:

(a) One-third in equal shares,

(b) One-third in the proportion that the population of a party state bears to the population of all party states, and

(c) One-third in the proportion that the per capita income in a party state bears to the per capita income in all party states. In implementing this formula, the Board shall employ the most recent authoritative sources of information and shall specify the sources used.

(3) The Board shall not pledge the credit of any party state. The Board may meet any of its obligations in whole or in part with funds available to it pursuant to Article VI (8) of this Agreement, provided that the Board takes specific action setting aside such funds prior to incurring an obligation to be met in whole or in part in such manner. Except where the Board makes use of funds available to it pursuant to Article VI (8), or borrows pursuant to this paragraph, the Board shall not incur any obligation prior to the allotment of funds by the party states adequate to meet the same. The Board may borrow against anticipated revenues for terms not to exceed two years, but in any such event the credit pledged shall be that of the Board and not of a party state.

(4) The Board shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Board shall be subject to the audit and accounting procedures established by its Bylaws. However, all receipts and disbursements of funds handled by the Board shall be audited yearly by a certified or licensed public accountant, and the report of the audit shall be included in and become part of the annual report of the Board.

(5) The accounts of the Board shall be open at any reasonable time for inspection by duly constituted officers of the party states and by any persons authorized by the Board.

(6) Nothing contained herein shall be construed to prevent Board compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the Board.

Article VIII. Cooperation With the Federal Government and Other Governmental Entities.

Each party state is hereby authorized to participate in cooperative or joint planning undertakings with the Federal Government, and any appropriate agency or agencies thereof, or with any interstate agency or agencies. Such participation shall be at the instance of the Governor or in such manner as state law may provide or authorize. The Board may facilitate the work of state representatives in any joint interstate or coöperative federal-state undertaking authorized by this Article, and each such state shall keep the Board advised of its activities in respect of such undertakings, to the extent that they have interstate or regional significance.

Article IX. Subregional Activities.

The Board may undertake studies or investigations centering on the problems of one or more selected subareas within the region; provided that in its judgment, such studies or investigations will have value as demonstrations for similar or other areas within the region. If a study or investigation that would be of primary benefit to a given state, unit of local government, or intrastate or interstate area is proposed, and if the Board finds that it is not justified in undertaking the work for its regional value as a demonstration, the Board may undertake the study or investigation as a special project. In any such event, it shall be a condition precedent that satisfactory financing and personnel arrangements be concluded to assure that the party or parties benefited bear all costs which the Board determines that it would be inequitable for it to assume. Prior to undertaking any study or investigation pursuant to this Article as a special project, the Board shall make reasonable efforts to secure the undertaking of the work by another responsible public or private entity in accordance with the policy set forth in Article IV (2).

Article X. Comprehensive Land Use Planning.

If any two or more contiguous party states desire to prepare a single or consolidated comprehensive land use plan, or a land use plan for any interstate area lying partly within each such state, the Governors of the states involved may designate the Board as their joint agency for the purpose. The Board shall accept such designation and carry out such responsibility: provided that the states involved make arrangements satisfactory to the Board to reimburse it or otherwise provide the resources with which the land use plan is to be prepared. Nothing contained in this Article shall be construed to deny the availability for use in the preparation of any such plan of data and information already in the possession of the Board or to require payment on account of the use thereof in addition to payments otherwise required to be made pursuant to other provisions of this Agreement.

Article XI. Compacts and Agencies Unaffected.

Nothing in this Agreement shall be construed to:

(1) Affect the powers of jurisdiction of any agency of a party state or any subdivision thereof.

(2) Affect the rights or obligations of any governmental units, agencies or officials, or of any private persons or entities conferred or imposed by any interstate or interstate-federal compacts to which any one or more states participating herein are parties.

(3) Impinge on the jurisdiction of any existing interstate-federal mechanism for regional planning or development.

Article XII. Eligible Parties; Entry Into and Withdrawal.

(1) This Agreement shall have as eligible parties the states of Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, [and] West Virginia, *the Commonwealth of Puerto Rico and the territory of the Virgin Islands.*

(2) Any eligible state may enter into this Agreement and it shall become binding thereon when it has adopted the same: provided that in order to enter into initial effect, adoption by at least five states shall be required.

(3) Adoption of the Agreement may be either by enactment thereof or by adherence thereto by the Governor; provided that in the absence of enactment, adherence by the Governor shall be sufficient to make his state a party only until December 31, 1973. During any period when a state is participating in this Agreement through gubernatorial action, the Governor may provide to the Board an equitable share of the financial support of the Board from any source available to him. Nothing in this paragraph shall be construed to require a Governor to take action contrary to the constitution or laws of his state.

(4) Except for a withdrawal effective on December 31, 1973, in accordance with paragraph (3) of this Article, any party state may withdraw from this Agreement by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the Governor of the withdrawing state has given notice in writing of the withdrawal to the Governors of all other party states. No withdrawal shall affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal.

Article XIII. Construction and Severability.

This Agreement shall be liberally construed so as to effectuate the purposes thereof. The provisions of this Agreement shall be severable and if any phrase, clause, sentence or provision of this Agreement is declared to be contrary to the constitution of any state or of the United States, or the application thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this Agreement and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this Agreement shall be held contrary to the constitution of any state participating therein, the Agreement shall remain in full force and effect as to the state affected as to all severable matters.

SB 290, AN ACT relating to the attorney general.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 15.020 is amended to read as follows:

The attorney general is the chief law officer of the Commonwealth of Kentucky and all of its departments, commissions, agencies, and political subdivisions, and the legal adviser of all state officers, departments, commissions, and agencies, and when requested in writing shall furnish to them his written opinion touching any of their official duties, and shall prepare proper drafts of all instruments of writing required for public use, and shall exercise all common law duties and authority pertaining to the office of the attorney general under the common law, except when modified by statutory enactment. He shall appear for the Commonwealth in all cases in the Supreme Court or Court of Appeals wherein the Commonwealth is interested, and shall also commence all actions or enter his appearance in all cases, hearings, and proceedings in and before all other courts, tribunals, or commissions in or out of the state, and attend to all litigation and legal business in or out of the state required of him by law, or in which the Commonwealth has an interest, and any litigation or legal business that any state officer, department, commission, or agency may have in connection with, or growing out of, his or its official duties, except where it is made the duty of the Commonwealth's attorney or county attorney to represent the Commonwealth. *He may expend funds necessary for liability insurance premiums and for the defense of any civil action brought against him in his official or individual capacity, or both, on account of an act performed in the scope and course of his performance of legal duties as attorney general.* When any attorney is employed for any said agency, the same shall have the approval of such agency before such employment.

SB 292, AN ACT relating to grants.

WHEREAS, the Commonwealth of Kentucky, its departments, authorities, agencies and bureaus, and political subdivisions and governmental units of the Commonwealth of Kentucky, including cities, counties, authorities, districts and other entities, are in many cases authorized to, and have made applications for, federal grants in aid for the construction and installation of various public works and projects and are entitled to receive such federal grants in the future; and

WHEREAS, in many situations in which federal grants to the Commonwealth of Kentucky and such other entities have been formally approved, or entitlement thereto is absolute by reason of law, significant delays have occurred between the awarding of such grants or entitlement thereto, and the actual receipt of same, resulting in cash flow disruptions, delays in initiating construction of public projects and other adverse consequences which are not in the public interest; and

WHEREAS, it is in the public interest that the Commonwealth and such units of government be specifically authorized to issue grant anticipation notes in anticipation of the receipt of such federal grants secured by a pledge of the proceeds of such grants to the end that such governmental units may more effectively and prudently administer the construction and acquisition of public projects and public works;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 58 IS CREATED TO READ AS FOLLOWS:

(1) In the case of any public work or public project, in connection with which the Commonwealth of Kentucky, or any department, agency or bureau thereof, or any political subdivision or governmental unit of the Commonwealth of Kentucky ("governmental agency") has applied for and received federal grants in aid or is entitled as a matter of law to receipt of federal grants in aid which may be applied for the purpose of providing a portion of or all of the funds required for construction and installation of any such public work or public project, such governmental agency may authorize and issue grant anticipation notes payable from grant proceeds when received, and any other assets which may be lawfully pledged by any such governmental agency and which are so pledged.

(2) Any grant anticipation notes issued pursuant to authority of this section shall be scheduled to mature at such time or times, not to exceed three (3) years from the date of issuance thereof, and shall bear such rate or rates of interest as the governing body of the governmental agency shall determine. Grant anticipation notes may be sold at public sale or pursuant to private, negotiated sale at the election of the governing body of the governmental agency issuing any such grant anticipation notes. Interest on any such grant anticipation notes may be capitalized in grant anticipation note issues for periods not exceeding three (3) years.

(3) Grant anticipation notes issued pursuant to the authority of this section shall be payable as to principal and interest, if interest is capitalized, from the federal grants in anticipation of which the grant anticipation notes are authorized and issued, and any governmental agency is authorized and empowered to pledge such grant proceeds and when received, either as sole security for the repayment of grant anticipation notes, or together with any other assets and revenues of such governmental agency which may be lawfully pledged for such repayment.

(4) Grant anticipation notes issued pursuant to the authority of this section are hereby declared to be issued for public, governmental purposes and the interest derived thereon shall be exempt from taxation by the Commonwealth and by all political subdivisions of the Commonwealth. Grant anticipation notes shall also be exempt from ad valorem taxation by the Commonwealth or any political subdivision thereof.

Section 2. Because of foreseeable delays in initiation, construction and acquisition of public works and public projects which are reasonably expected to result in higher costs to the citizens of the Commonwealth for public works and public projects, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

The Committee Amendment No. 1 to **SB 292** is as follows:

Amend printed copy of **SB 292,** page 3, line 16, by deleting the word "*and*"

SB 364, AN ACT relating to court facilities and making an appropriation therefore.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 26A IS CREATED TO READ AS FOLLOWS:

Notwithstanding any other provision of the law to the contrary, counties containing a city of the first class shall, as part of their operating costs allowance for fiscal year 1980-81, be allowed a payment of not more than one hundred and seventy-five thousand dollars ($175,000) for the reimbursement of facility changes made for the exclusive benefit of the Court of Justice in those counties.

Section 2. In order to carry out the provisions of Section 1 of this Act, there is hereby appropriated to the Court of Justice out of the general fund $175,000 for fiscal year 1980-81.

The Committee Amendment No. 1 to **SB 364** is as follows:

Amend printed copy of **SB 364,** page 1, line 10, by adding the following:

Within two (2) years after completion of such facility changes, the county receiving the state payment provided by this Section shall pay to the state treasury, to the credit of the general fund, the sum of one hundred and seventy-five thousand dollars ($175,000) in consideration of cost savings realized from the state payment.

SB 368, AN ACT relating to prison made goods.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 45A.350 is amended to read as follows:

KRS 45A.345 to 45A.460 shall apply to every local public agency in this state, *except that a local public agency may purchase goods produced by convict labor from the bureau of corrections without having to comply with the requirements of the Kentucky procurement code.* Any legislative body or governing board may adopt any of the other provisions of this code, and may make modifications of such provisions, provided, however, that such modifications shall not be inconsistent with the Kentucky procurement code.

Section 2. KRS 197.210 is amended to read as follows:

(1) On and after June 17, 1954, all offices, departments, institutions and agencies of this state which are supported in whole or in part by this state shall purchase, and all political subdivisions of this state *shall* [may] purchase, when economically feasible from the bureau of corrections all articles or products required by such offices, departments, institutions, agencies, or political subdivisions of this state, produced or manufactured by prison labor, as provided by KRS 197.200 to 197.250, and no such article or product shall be purchased by any such office, department, institution, or agency, from other source, except as hereinafter provided:

(a) Exceptions may be made in any case where, in the opinion of the department of finance, the articles or products so produced or manufactured do not meet the reasonable requirements of such offices, departments, institutions, agencies, or, in any case, where the requisition cannot be reasonably complied with because of an insufficient supply of the articles or products required. However, no office, department, institution or agency, shall be allowed to evade the intent and meaning of KRS 197.200 to 197.250 by slight variations from standards adopted by the division of purchases, when the articles or products produced or manufactured by the bureau in accordance with said standards, are reasonably adapted to the actual needs of such office, department, institution, or agency.

(2) All purchases, under KRS 197.200 to 197.250 shall be made through the department of finance upon requisition by the proper authority of the office, department, institution, agency or political subdivision of this state.

Section 3. KRS 365.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 365.015 shall be fined not less than twenty-five dollars nor more than one hundred dollars, or imprisoned for not less than ten days nor more than thirty days, or both, and each day that the violation continues shall constitute a separate offense.

(2) Any person who violates any of the provisions of KRS 365.020 to 365.050 shall, for each offense, be fined not less than one hundred dollars nor more than one thousand dollars, or imprisoned for not more than six months, or both. Any person who, as agent of any person or as director, officer or agent of any corporation assists or aids in a violation of any of such provisions by the person or corporation for which he is director, officer or agent, shall be responsible therefor equally with such person or corporation, and in a prosecution brought by the local commonwealth attorney against him under this subsection it shall be sufficient to allege and prove the unlawful intent of the person or corporation for whom he acts.

(3) Any person who violates any of the provisions of KRS 365.100 shall be fined not less than two hundred dollars for each offense.

(4) Any person who violates any of the provisions of KRS 365.110 shall be fined not less than ten dollars nor more than fifty dollars for each offense.

(5) Any agent or employe of a corporation or any other person who violates any of the provisions of subsection (2) of KRS 365.220 shall be fined not less than one hundred dollars nor more than one thousand dollars for each offense, and each day's continuance of the violation shall constitute a separate offense.

(6) A conviction of a corporation of violating any of the provisions of KRS 365.210 or 365.220 shall operate to forfeit its charter or right to do business in this state. Proceedings may be instituted by the Commonwealth's attorney in any district in this state to forfeit the charter or right to do business in this state of any corporation violating any of the provisions of KRS 365.210 or 365.220, and to subject the corporation charged, if found guilty, to the penalty imposed in subsection (7) of this section.

(7) Any company that violates any of the provisions of KRS 365.230 shall be fined not less than one hundred dollars nor more than one thousand dollars, and if it is a corporation it shall, upon conviction, forfeit its charter.

(8) [Any person who violates any of the provisions of KRS 365.240 shall, for each offense, be fined not less than two hundred dollars nor more than one thousand dollars, or imprisoned for not less than three months nor more than one year, or both.

(9)] Failure to maintain the register or to make the report to the sheriff as required by KRS 365.250 shall be a misdemeanor punishable by a fine of not more than one hundred dollars or by imprisonment for not more than thirty days, or both, and shall be prima facie evidence that such dealer, collector or vendor received the used copper wire or cable not registered or reported, knowing it to be stolen in violation of KRS 433.290.

Section 4. KRS 365.240, Convict-made goods - Sale prohibited - Exceptions, is repealed.

HR 116, A RESOLUTION honoring the 25th Anniversary of the Kentucky Derby Festival.

WHEREAS, the Kentucky Derby Festival first started in 1956 with the parade for the Community of Louisville; and

WHEREAS, this Community Event is now recognized and enjoyed by citizens of the whole Commonwealth; and

WHEREAS, the Derby Festival now spans ten (10) days and includes over 60 individual events; and

WHEREAS, the Kentucky Derby Festival is recognized as the largest civic celebration in the Nation generating worldwide interest; and

WHEREAS, the House of Representatives wishes to express its appreciation to the Board of Directors and the many volunteers of the Kentucky Derby Festival, Inc., for their many hours of planning and work for this exciting Community Event which is shared with the Citizens of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the leadership and volunteers of the Kentucky Derby Festival, Inc., be commended for their community service which has resulted in enjoyment for the people of the Commonwealth.

Section 2. That the President of the Kentucky Derby Festival, Katherine Peden, and Vice-President Dan Mangeot, be invited to appear before the House of Representatives on March 28, 1980.

Section 3. That the 28th day of March, 1980 be declared as Kentucky Derby Festival Day throughout Kentucky.

Section 4. That when the House of Representatives adjourns on March 28, 1980, it does so in honor of the 25th Anniversary of the Kentucky Derby Festival, Inc., and the Kentuckians which make the Festival possible.

The Committee on Transportation reported **SB 323** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 323, AN ACT relating to the railroad commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 276.060 is amended to read as follows:

(1) The office of the railroad commission shall be at the seat of government.

(2) The commission may appoint a secretary, a stenographer, and such other employes as it may find necessary to the proper performance of its duties and fix the compensation of such employes within the annual appropriation of said commission by the legislature.

(3) The chairman of the commission shall receive a salary of *ten thousand dollars ($10,000)* [three thousand six hundred dollars ($3,600)] per annum, and each of the other commissioners shall receive a salary

of *nine thousand dollars ($9,000)* [three thousand dollars ($3,000)] per annum. Each commissioner shall receive his actual, necessary traveling expenses while engaged in the discharge of his duties.

(4) The members and employes of the railroad commission, when in the performance of their official duties, shall have the right to free transportation between points in this state on all vehicles of common carriers subject in whole or in part to control or regulation by the commission. Each carrier shall issue to the state, for the use of each member and employe of the commission, written or printed authority entitling them to be transported free of charge over the lines of the carrier when engaged in the discharge of their official duties.

The Committee on Energy reported **SB 389,** with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 389, AN ACT relating to the energy research board.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 152A.060 is amended to read as follows:

(1) The energy research board shall be attached to the office of the secretary. The energy research board shall consist of *fourteen (14)* [fifteen (15)] members. The term of office for eight (8) members representing the private sector shall be four (4) years, except on the first board appointed, three (3) members shall be appointed for a term of two (2) years, two (2) for a term of three (3) years, and three (3) for a term of four (4) years. In addition to the above, other members of the board shall be *the dean of the college of engineering of the university of Kentucky, the dean of the speed scientific school of the university of Louisville,* [the secretary of the development cabinet, the secretary of transportation,] the secretary for natural resources and environmental protection, the secretary of the department of finance, [the secretary of the public protection and regulation cabinet] and a representative of the Kentucky general assembly as appointed by the governor. The secretary of energy [or his designee] shall serve as the chairman, *with a vice chairman elected by the members of the board.*

(2) The board shall meet at least once each calendar quarter or more often on the call of the chairman, or with the chairman's approval, at the call of the vice chairman.

(3) The board shall be responsible for approving demonstration projects to be supported by the energy development and demonstration trust fund.

(4) The board is authorized to solicit, receive and administer federal or state agency funds in relation to federal or state programs of long-range energy planning research and demonstration projects.

(5) The secretary and the staff of the department shall serve as staff for the board. The board shall also advise the secretary in establishing long-range goals and objectives for the department. Members of the board shall not be otherwise compensated but shall be reimbursed for expenses incurred in connection with the exercise of their duties at the department.

The Committee Amendment No. 1 to **SB 389** is as follows:

Amend printed copy of **SB 389,** page 2, after line 20, by adding the following after line 20:

"Section 2. KRS 143.090 is amended to read as follows:

(1) The department of transportation shall certify to the commissioner of the department of revenue by October 1 of each fiscal year the amount required for lease rental payments to the Kentucky turnpike authority for resource recovery road projects.

(2) The secretary of the Kentucky department of energy shall certify to the commissioner of the department of revenue by October 1 of each year the amount of the annual lease rental payments required to be made for any energy research developmental or demonstration project undertaken by the department of energy. The amount so certified shall in no case exceed three million dollars ($3,000,000.00) in any one (1) year.

(3) Upon receiving the certifications provided for in subsections (1) and (2) of this section, the commissioner of the department of revenue shall cause the certified amounts to be deposited from the proceeds of the tax levied by KRS 143.020 to the credit of the transportation fund and the department of energy, respectively, as follows:

(a) An amount equal to the amount certified by the department of transportation shall be deposited to the transportation fund (road fund); and

(b) An amount equal to the amount certified by the secretary of the Kentucky department of energy shall be transferred by appropriate interfund transfer procedures to the Kentucky department of energy.

[Upon receiving such certification, the commissioner of the department of revenue shall cause said amount to be deposited from proceeds of the tax levied by KRS 132.020 to the credit of the transportation fund (road fund).]

(4) All tax levied by KRS 143.020 collected in excess of the amount required to be deposited to the transportation (road fund) *or transferred to the Kentucky department of energy* shall be deposited by the department of revenue to the credit of the general fund.

(5) In the event the proceeds of the tax levied by KRS 143.020 are less than the amounts certified under subsections (1) and (2) of this section, the commissioner of revenue shall prorate the proceeds to the transportation fund and the Kentucky department of energy based upon the ratio of each certified amount to the total of the two (2) certified amounts.

Section 3. KRS 152.757, Funds for annual lease rental payments for projects, is repealed."

The Committee Amendment No. 2 to **SB 389** is as follows:

Amend printed copy of **SB 389,** page 1, line 13, by inserting after "Kentucky" the words "*or his designee*";

and on page 1, line 14, by inserting after "Louisville" the words "*or his designee*".

The Committee on Judiciary reported **SB 251,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 251, AN ACT relating to descent and distribution.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 391 IS CREATED TO READ AS FOLLOWS:

(1) An illegitimate person is heir of his mother and of any maternal ancestor and of any person from whom his mother might have inherited, if living; and the descendants of an illegitimate person shall represent such person and take by descent any estate which the parent would have taken, if living. If a decedent has acknowledged paternity of an illegitimate person by affidavit or if during his lifetime or after his death a decedent has been adjudged to be the father of an illegitimate person, that person is heir of his father and of any paternal ancestor and of any person from whom his father might have inherited, if living; and the descendents of an illegitimate person shall represent that person and take by descent any estate which the parent would have taken, if living. If during his lifetime the decedent was adjudged to be the father of an illegitimate person by a court of competent jurisdiction, an authenticated copy of the judgment is sufficient proof of the paternity or if he acknowledged paternity by affidavit, such affidavit creates a presumption of paternity; but in all other cases paternity must be proved by clear and convincing evidence. A person who was illegitimate whose parents intermarry and who is acknowledged by the father as the father's child is legitimate.

(2) The estate of an illegitimate person shall descend and be distributed in the same manner as that of a person born in lawful wedlock, except that the inheritance shall not go to the father and his kindred unless paternity was determined by a court of competent jurisdiction.

Section 2. KRS 391.090 Bastards-Inheritance from and by - Effect of marriage of parents, is repealed.

The Committee Substitute to **SB 251** is as follows:

House Committee Substitute for **SB 251,** AN ACT relating to descent and distribution.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 391 IS CREATED TO READ AS FOLLOWS:

(1) An illegitimate person is heir of his mother and of any maternal ancestor and of any person from whom his mother might have inherited, if living; and the descendants of an illegitimate person shall represent such person and take by descent any estate which the parent would have taken, if living. If during his lifetime or after his death a decedent has been adjudged to be the father of an illegitimate person, that person is heir of his father and of any paternal ancestor and of any person from whom his father might have inherited, if living; and the descendents of an illegitimate person shall represent that person and take by descent any estate which the parent would have taken, if living. If during his lifetime the decedent was adjudged to be the father of an illegitimate person by a court of competent jurisdiction, an authenticated copy of the judgment is sufficient proof of the paternity; but in all other cases paternity must be proved by clear and convincing evidence. A person who was illegitimate whose parents marry and who is acknowledged by the father as the father's child is legitimate.

(2) The estate of an illegitimate person shall descend and be distributed in the same manner as that of a person born in lawful wedlock, except that the inheritance shall not go to the father and his kindred unless paternity was determined by a court of competent jurisdiction.

Section 2. KRS 391.090 Bastards-Inheritance from and by - Effect of marriage of parents, is repealed.

Calendar

HR 46, SB 227, SB 288, SB 309, SB 326, SB 362, SB 381, SB 79, SB 133, SB 31, SB 77, SB 68, SB 136, SB 148, SB 200, SB 246, SB 298, and **SB 332** taken from the Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 24, HB 226, HB 232, HB 439, HB 451, HB 550, HB 552, HB 562, HB 612, HB 642, HB 683, HB 850,** and **HJR 65** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 24, HB 226, HB 232, HB 439, HB 451, HB 550, HB 552, HB 562, HB 612, HB 642, HB 683, HB 850, and **HJR 65** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day

Representative B. Richardson moved that the rules be suspended to entertain a motion. Agreed.

Representative B. Richardson moved that the Discharge Petition on **SCR 9** be considered.

On the roll call the vote was yeas 38-Arnold, Blair, Blythe, Burch, Burnette, Caldwell, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Ellington, Farrow, Freibert, Fryman, Guenthner, Haering, Heleringer, Holbrook, Holloway, Layman, Lewis, McKinney, McNutt, Patrick, Pearman, Plummer, Rattliff, Riner, Robinson, Schmidt, Smith, Thomason, Turner, Van Horn, Wright, Yates. Nays 36-Adams, Barrows, Bendl, Bennett, Blandford, Brinkley, Bronger, Cawood, Clarke, Crupper, Deskins, Donnermeyer, Dunn, Foster, Hancock, Isler, Kenton, Kidd, LeMaster, Little, Mann, May, Moberly, Nett, Noe, Petty, Rapier, Reynolds, Richards, B. Richardson, Stone, Stumbo, Tobin, Weinberg, Wilborn, Williams.

The motion that the discharge petition on **SCR 9** be considered was rejected.

Representative B. Richardson moved that **HB 676** be recommitted to the Committee on Judiciary. Agreed.

HB 863, as amended by Committee Amendment No. 1, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative Blandford moved the adoption of the Floor Amendment No. 3 to **HB 863.** Agreed.

Representative Holbrook moved the adoption of the Floor Amendment No. 4 to **HB 863.** Agreed.

Representative O'Brien moved that **HB 863,** as amended, be passed.

On the roll call the vote was yeas 69-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Heleringer, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, List, Lundergan, Mann, May, McNutt, Moberly, Nett, Noe, O'Brien, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 10-Bruce, Burnette, Clapp, Ellington, Fryman, Layman, LeMaster, McBee, Morris, Robinson.

HB 863, as amended, was passed and the title agreed to.

Representative O'Brien moved that the vote by which **HB 863,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 125, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Caldwell moved the adoption of the Floor Amendment No. 1 to **SB 125.**

On the roll call the vote was yeas 12-Caldwell, Craddock, Davenport, Foster, Freibert, Fryman, McNutt, Patrick, Rattliff, Robinson, Tobin, White. Nays 58-Adams, Barrows, Bendl, Bennett, Blythe, Boswell, Bronger, Burch, Cawood, Clarke, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Guenthner, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McBee, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Smith, Stumbo, Thomas, Thomason, Van Horn, Weinberg, Williams, Worthington, Yates.

Floor Amendment No. 1 to **SB 125** was rejected.

Speaker Pro Tempore Hancock presiding.

Representative Romines moved that **SB 125** be passed.

On the roll call the vote was yeas 55-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Bronger, Burch, Cawood, Clark, Clarke, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Freibert, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, Layman, LeMaster, List, Lundergan, Mann, McBee, Moberly, Nett, Noe, O'Brien, Pearman, Petty, Plummer, Priddy, Rapier, Richards, Romines, Sale, Schmidt, Smith, Thomas, Thomason, Van Horn, Wilborn, Williams, Worthington, Yates. Nays 36-Allen, Barrows, Boswell, Brinkley, Bruce, Burnette, Caldwell, Clapp, Craddock, Crupper, Curd, Davenport, DeMarcus, Ellington, Farrow, Fryman, Gray, Head, Johnson, Jones, May, McKinney, McNutt, Morris, Patrick, Rattliff, Reynolds, B. Richardson, Riner, Robinson, Stumbo, Tobin, Turner, Weinberg, White, Wright.

SB 125 was defeated.

Representative B. Richardson moved that the rules be suspended for consideration of Citations. Agreed.

Representative Tobin moved that the rules be suspended to allow the privilege of the floor to the University of Kentucky Lady Kats Basketball Team and the University of Kentucky Lady Kats Volleyball Team. Agreed.

Representative Tobin moved the adoption of the following Legislative Citation No. 82:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the University of Kentucky Lady Kats Volleyball Team, your excellent coach, Miss Delphine Nemeth and staff for the outstanding achievement of winning the AIAW Region II Championship for the second consecutive year. Your record of 35-18-1 reflects hard work and loyalty. We commend you for your many accomplishments—winner of the first SEC Tournament; second in the Michigan State Tournament; second in the Carolina Classic Tournament and third in the Illinois State Tournament. This body applauds you and extends our very best wishes for continued success. (Sponsored by Representative Tobin)

Agreed.

Representative Tobin moved the adoption of the following Legislative Citation No. 83:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the University of Kentucky Lady Kats Basketball Team and your excellent coach, Mrs. Debbie Yow Nance and staff, for your outstanding 1979-80 record of 24-5 and your national ranking for the season. We applaud you as winners of the LKIT Tournament in January and the KWIC Tournament in February and March, 1980. Your performance is a great tribute to you, your school and the Commonwealth of Kentucky. This prestigious body salutes you on your many accomplishments and extends to you our very best wishes for continued success. (Sponsored by Representative Tobin)

Agreed.

Speaker Kenton presiding.

Representative B. Richardson moved that the rules be suspended for the purpose of making a motion. Agreed.

Representative B. Richardson moved that the posting for Committee consideration be waived for **SB 236, SB 187, SCR 54, SB 297,** and **SB 378.** Agreed.

Recess

Representative B. Richardson moved that the House recess until 3:30 p.m. to allow time for Committee meetings.

On the roll call the vote was yeas 22-Adams, Bendl, Clapp, Crupper, DeMarcus, Dunn, Freibert, Fryman, Hines, Holbrook, Isler, Kenton, Kidd, Little, Rapier, Reynolds, B. Richardson, Turner, Van Horn, Wilborn, Worthington, Yates. Nays 6-Clarke, Davenport, Haering, Overstreet, Robinson, Schmidt.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative B. Richardson moved that the rules be suspended for the purpose of considering Citations and Resolutions. Agreed.

Representative Barrows moved that the rules be suspended to allow Miss Kathryn Parker the privilege of the Floor. Agreed.

Representative Barrows moved the adoption of the following Legislative Citation No. 84:

The House of Representatives of the Commonwealth of Kentucky hereby honors Miss Kathryn Parker, the twenty-three year old daughter of Mr. and Mrs. James Parker of Wilmore, Kentucky, the current beautiful and talented Miss Kentucky. Miss Parker is a graduate of Asbury College and received distinction with the honor Cum Laude. Your outstanding record encompasses Who's Who in American Universities and Colleges which is most outstanding. During your reign, you have brought great honor and prestige to the youth of Kentucky, your community and the nation. We are proud of you and we are assured that your reign has been a most rewarding experience. We commend you and extend our very best wishes for years of happiness and complete fulfillment. (Sponsored by Representative Barrows)

Agreed.

Representative Barrows moved the adoption of the following **HR 135:**

HR 135, A RESOLUTION honoring Kathryn Parker, Miss Kentucky.

WHEREAS, Kathryn Parker was awarded the title of Miss Kentucky in June, 1979; and

WHEREAS, this Commonwealth has been well represented by Kathryn Parker with her striking beauty and many talents; and

WHEREAS, Kathryn Parker exemplifies the best of young women with her charm, attractiveness, academic excellence, and leadership ability; and

WHEREAS, the pride and tradition of Kentucky have been upheld during the reign of Kathryn Parker as Miss Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this body honors Kathryn Parker as Miss Kentucky.

Section 2. That the House recognizes and appreciates the fine manner in which Kathryn Parker has represented Kentucky.

On the roll call the vote was yeas 70-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blythe, Boswell, Brown, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Hancock, Hines, Holbrook, Isler, Johnson, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, Moberly, Nett, Overstreet, Pearman, Petty, Plummer, Rapier, Rattliff, Reynolds, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Wilborn, Worthington, Wright, Yates: Nays 0.

HR 135 was adopted.

Orders of the Day (continued)

HB 652, with Committee Amendment attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Kidd moved the adoption of the Committee Amendment No. 1 to **HB 652.** Agreed.

Representative Kidd moved that **HB 652,** as amended, be passed.

On the roll call the vote was yeas 68-Allen, Arnold, Bendl, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Bruce, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Farrow, Foster, Haering, Hancock, Head, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Lewis, List, Little, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, Overstreet, Pearman, Plummer, Priddy, Rapier, Reynolds, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Worthington, Wright. Nays 1-Freibert.

HB 652, as amended, was passed and the title agreed to.

Representative Kidd moved that the vote by which **HB 652,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 275, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Nett moved that **HB 275** be passed.

On the roll call the vote was yeas 52-Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Burch, Burnette, Cawood, Clark, Craddock, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Foster, Gray, Head, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, Lundergan, Mann, May, McBee, McKinney, McNutt, Morris, Nett, O'Brien, Pearman, Petty, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Stone, Turner, Van Horn, Williams, Yates. Nays 25-Barrows, Caldwell, Clarke, Crupper, Davenport, DeMarcus, Farrow, Freibert, Fryman, Haering, Hancock, Layman, Lewis, List, Moberly, Overstreet, Plummer, Reynolds, Schmidt, Stumbo, Thomas, Thomason, White, Wilborn, Wright.

HB 275 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 275** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 483, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cyrus moved the adoption of the Committee Substitute to **HB 483.**

On the roll call the vote was yeas 48-Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Cawood, Clark, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Gray, Hancock, Head, Isler, Johnson, Kenton, Little, Lundergan, McBee, McKinney, Moberly, Nett, Noe, Overstreet, Pearman, Priddy, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Smith, Stone, Stumbo, Thomas, Van Horn, Weinberg, Wilborn, Williams, Wright, Yates. Nays 34-Adams, Allen, Blair, Bruce, Burnette, Clapp, Craddock, Crupper, Curd, DeFalaise, DeMarcus, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Heleringer, Holloway, Layman, LeMaster, List, McNutt, Morris, Patrick, Plummer, Rapier, Robinson, Schmidt, Thomason, Tobin, Turner, White.

The Committee Substitute to **HB 483** was adopted.

Representative Cyrus moved that **HB 483,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 44-Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Cyrus, Deskins, Donnermeyer, Dunn, Gray, Hancock, Head, Isler, Johnson, Little, Mann, Moberly, Nett, Noe, Overstreet, Pearman, Petty, Priddy, B. Richardson, P. Richardson, Riner, Romines, Smith, Stone, Thomas, Van Horn, Weinberg, Wilborn, Williams, Wright, Yates. Nays 49-Adams, Allen, Blair, Burnette, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Heleringer, Holbrook, Holloway, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Lundergan, May, McBee, McNutt, Morris, O'Brien, Patrick, Plummer, Rapier, Rattliff, Reynolds, Richards, Robinson, Sale, Schmidt, Thomason, Tobin, Turner, White.

HB 483, by way of Committee Substitute, was defeated.

HR 114 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McBee moved that **HR 114** be adopted.

On the roll call the vote was yeas 82-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, Morris, Nett, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Sale, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HR 114 was adopted and the title agreed to.

Representative B. Richardson moved that the vote by which **HR 114** was adopted be reconsidered and said motion be postponed indefinitely. Agreed.

HB 927, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved the adoption of the Committee Substitute to **HB 927.** Agreed.

Representative Donnermeyer moved the adoption of the Committee Amendment No. 1 to the Committee Substitute to **HB 927.** Agreed.

Representative Donnermeyer moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 927.** Agreed.

Representative Donnermeyer moved that **HB 927,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 64-Adams, Allen, Arnold, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, Clark, Craddock, Curd, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Kenton, Layman, Lundergan, Mann, McBee, McNutt, Nett, O'Brien, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, Riner, Romines, Sale, Schmidt, Smith, Stone, Thomas, Tobin, Turner, Van Horn, White, Worthington, Wright, Yates. Nays 23-Barrows, Bendl, Blair, Cawood, Clarke, Crupper, Cyrus, Davenport, DeMarcus, Deskins, Gray, Hines, Kidd, LeMaster, Lewis, Little, May, Moberly, Noe, P. Richardson, Thomason, Wilborn, Williams.

HB 927, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 927,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Weinberg reported that the Conference Committee on **HB 150** met and could not agree and asked for a Free Conference Committee to be appointed consisting of the same members.

SB 102, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Floor Amendment No. 7 to **SB 102.**

Representative Caldwell requested a ruling of the Chair as to whether Floor Amendment No. 7 was germane.

The Speaker ruled that Floor Amendment No. 7 was germane.

Representative Deskins requested whether Floor Amendment No. 7 complied with Rule 51.

The Speaker ruled Floor Amendment No. 7 complied with Rule 51.

On the roll call the vote was yeas 22-Allen, Barrows, Bendl, Bennett, Blythe, Caldwell, Clarke, DeFalaise, DeMarcus, Ellington, Hancock, Heleringer, Hines, Jones, Lundergan, Moberly, Nett, P. Richardson, Schmidt, Thomas, Weinberg, Wilborn. Nays 64-Adams, Arnold, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Guenthner, Haering, Head, Isler, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Mann, May, McBee, McNutt, Morris, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, Riner, Robinson, Stone, Thomason, Tobin, Turner, Van Horn, White, Williams, Worthington, Wright, Yates.

Floor Amendment No. 7 to **SB 102** was rejected.

Representative Schmidt moved the adoption of the Floor Amendment No. 5 to **SB 102.**

On the roll call the vote was yeas 84-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Robinson, Romines, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 0.

Floor Amendment No. 5 to **SB 102** was adopted.

Representative Schmidt moved the adoption of the Floor Amendment No. 8 to **SB 102.** Agreed.

Representative Stone moved the adoption of the Floor Amendment No. 2 to **SB 102.**

On the roll call the vote was yeas 92-Adams, Allen, Arnold, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

Floor Amendment No. 2 to **SB 102** was adopted.

Representative Kidd moved the adoption of the Floor Amendment No. 4 to **SB 102.**

On the roll call the vote was yeas 17-Allen, Arnold, Bennett, Blythe, Burnette, Caldwell, Clapp, Cyrus, Dunn, Ellington, Fryman, Gray, Haering, Kidd, McBee, Romines, Turner. Nays 66-Adams, Blair, Blandford, Boswell, Brinkley, Bruce, Burch, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Farrow, Foster, Guenthner, Hancock, Heleringer, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, May, McNutt, Moberly, Morris, Noe, Overstreet, Pearman, Petty, Plummer, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates.

Floor Amendment No. 4 to **SB 102** was rejected.

Representative Gray moved the adoption of the Floor Amendment No. 10 to **SB 102.**

On the roll call the vote was yeas 16-Allen, Arnold, Burnette, Caldwell, Clapp, Crupper, Curd, Ellington, Gray, Haering, Hancock, Head, Kidd, Layman, McBee, Thomas. Nays 70-Adams, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Cawood, Clark, Clarke, Craddock, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Freibert, Guenthner, Heleringer, Holbrook, Holloway, Isler, Johnson, Kenton, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McNutt, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale Schmidt, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates.

Floor Amendment No. 10 to **SB 102** was rejected.

Representative Worthington moved the adoption of the Floor Amendment No. 6 to **SB 102.**

On the roll call the vote was yeas 78-Adams, Allen, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Layman, Little, Lundergan, Mann, May, McKinney, McNutt, Morris, Nett, Noe, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Robinson, Sale, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

Floor Amendment No. 6 to **SB 102** was adopted.

Representative Clarke moved that **SB 102,** as amended, be passed.

Representative Mann moved that the vote on Floor Amendment No. 7 be reconsidered.

On the roll call the vote was yeas 28-Barrows, Bendl, Bennett, Caldwell, Clarke, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Freibert, Holbrook, Johnson, Jones, Kenton, Kidd, Lundergan, Mann, McBee, Moberly, Nett, O'Brien, Petty, Priddy, P. Richardson, Schmidt, Wilborn, Yates. Nays 56-Adams, Allen, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Farrow, Foster, Gray, Guenthner, Haering, Head, Heleringer, Isler, Layman, LeMaster, Lewis, List, Little, May, McNutt, Morris, Overstreet, Patrick, Pearman, Plummer, Rapier, Reynolds, Richards, B. Richardson, Riner, Robinson, Sale, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Worthington, Wright.

The motion that the vote on Floor Amendment No. 7 be reconsidered was rejected.

Representative Blythe moved the adoption of the Floor Amendment No. 12 to **SB 102.**

Representative Overstreet requested a ruling of the Chair as to whether Floor Amendment No. 12 was germane.

The Speaker ruled Floor Amendment No. 12 was germane.

Representative Lundergan moved that Floor Amendment No. 12 to **SB 102** be laid on the Clerk's desk.

On the roll call the vote was yeas 19-Arnold, Blythe, Bronger, Caldwell, Clapp, Crupper, Cyrus, Donnermeyer, Farrow, Freibert, Gray, Haering, Heleringer, Lundergan, Mann, McBee, Nett, Petty, Rattliff. Nays 61-Adams, Allen, Bendl, Bennett, Blair, Boswell, Brinkley, Brown, Burch, Burnette, Cawood, Clark, Clarke, Craddock, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Dunn, Foster, Guenthner, Head, Hines, Holbrook, Holloway, Isler, Layman, LeMaster, Lewis, List, Little, May, McKinney, McNutt, Moberly, Noe, Overstreet, Patrick, Pearman, Plummer, Priddy, Reynolds, Richards, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Yates.

The motion that Floor Amendment No. 12 to **SB 102** be laid on the Clerk's desk was rejected.

On the roll call the vote was yeas 22-Bendl, Bennett, Blair, Blythe, Brown, Cawood, Clapp, Cyrus, Donnermeyer, Dunn, Guenthner, Head, Hines, Kidd, Lewis, Little, Mann, McKinney, Robinson, Romines, Tobin, Williams. Nays 68-Adams, Allen, Arnold, Barrows, Blandford, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, Deskins, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Heleringer, Holbrook, Holloway, Isler, Johnson, Jones, Layman, LeMaster, List, Lundergan, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates.

Floor Amendment No. 12 to **SB 102** was rejected.

Representative Gray moved that **SB 102,** as amended, be laid on the Clerk's desk.

On the roll call the vote was yeas 51-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Burch, Caldwell, Cawood, Clapp, Crupper, Cyrus, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Fryman, Gray, Haering, Hancock, Heleringer, Hines, Jones, Kidd, Little, Lundergan, Mann, McBee, Noe, O'Brien, Petty, Rattliff, Reynolds, Romines, Sale, Schmidt, Smith, Stone, Thomason, Tobin, Turner, White, Wilborn, Williams, Wright. Nays 39-Allen, Bruce, Clark, Clarke, Craddock, Curd, Davenport, DeFalaise, Deskins, Foster, Freibert, Guenthner, Head, Holbrook, Holloway, Isler, Kenton, Layman, LeMaster, Lewis, List, May, McKinney, McNutt, Moberly, Morris, Nett, Overstreet, Patrick, Pearman, Priddy, Rapier, B. Richardson, P. Richardson, Riner, Robinson, Thomas, Van Horn, Worthington.

The motion that **SB 102,** as amended, be laid on the Clerk's desk was adopted.

Senate Message

Announcing passage of **SB 385, HB 20** with Senate Committee Substitute and Amendments, **HB 146** with Senate Committee Substitute and Amendments, **HB 161** with Senate Amendment, and **HB 955.**

Orders of the Day (continued)

Representative B. Richardson moved that consideration of all Bills and Resolutions remaining in Orders of the Day be deferred and that they retain their position. Agreed.

Speaker Pro Tempore Hancock presiding.

Motions, Petitions, and Communications

Representative B. Richardson moved that the Discharge Petition filed on **HB 388** be acted upon. Agreed.

Representative B. Richardson moved that the Discharge Petition on **HB 388** be considered.

On the roll call the vote was yeas 0. Nays 36-Adams, Barrows, Bendl, Boswell, Brinkley, Brown, Cawood, Clapp, Clarke, Craddock, Crupper, Davenport, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Foster, Guenthner, Hines, Isler, Johnson, Kenton, Lewis, List, Mann, McBee, Moberly, Overstreet, Pearman, Petty, B. Richardson, Riner, Thomason, Van Horn, Wright.

The motion that the Discharge Petition on **HB 388** be considered was defeated.

Representative B. Richardson moved that the Discharge Petition on **SB 282** be considered.

On the roll call the vote was yeas 2-Deskins, Overstreet. Nays 55-Adams, Arnold, Barrows, Bendl, Blandford, Boswell, Brinkley, Brown, Burch, Burnette, Cawood, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Head, Hines, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Mann, May, McBee, McKinney, Moberly, Nett, Noe, Patrick, Pearman, Petty, Rapier, Richards, B. Richardson, Riner, Romines, Thomason, Van Horn, White, Wilborn, Wright.

The motion that the Discharge Petition on **SB 282** be considered was defeated.

The following meetings were announced:

Agriculture: Cancelled for Thursday.

Natural Resources and Environment: Cancelled for Thursday.

Health and Welfare: Friday, 8:30.

State Government: Thursday, 9:00 a.m., Room 9.

Representative Clapp moved that the rules be suspended to introduce and act upon a resolution. Agreed.

HR 134, by Representative Rattliff: A RESOLUTION honoring the Taylor County Cardinals Basketball Team and Coach Freddie Waddle as the reigning champions of the 5th Region.

Representative Clapp moved the adoption of the following **HR 134.**

HR 134, A RESOLUTION honoring the Taylor County Cardinals Basketball Team and Coach Freddie Waddle as the reigning champions of the 5th Region.

WHEREAS, the Taylor County Cardinal Basketball Team has attained a winning season of 20 games with only 8 losses in its drive to the State High School Basketball Championship Games in Louisville; and

WHEREAS, Taylor County earned its berth in the State Championships by defeating Green County in an exhilirating overtime victory on March 18, 1980 in Lebanon; and

WHEREAS, the dedication shown by the team members, coaching staff, cheerleaders, and loyal fans led the Cardinals through such a fine season;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives commends the Taylor County Cardinals and Coach Freddie Waddle for their outstanding season and wishes them success in the State Basketball Tournament this week.

Section 2. That the Clerk of the House of Representatives is directed to send sufficient copies of the resolution to Coach Freddie Waddle for distribution to the Taylor County Cardinals Basketball Team and its coaching staff.

HR 134 was adopted by voice vote.

Representative Crupper moved the adoption of the following Legislative Citation No. 85.

The House of Representatives of the Commonwealth of Kentucky hereby recognizes with deep compassion the passing of former State Representative Franklin Webster, age ninety, of Williamstown, Kentucky, a great statesman, who passed Saturday, March 22, 1980. Representative Webster served four terms in the Kentucky General Assembly, from 1964 to 1972, representing Owen, Grant and Pendleton Counties. He served with great distinction and sincere dedication. He made a great contribution to education, serving as principal and teacher in Grant, Owen and Pendleton Counties for more than half century, touching the lives of thousands. He served his country well with great integrity and devotion to duty. The nation mourns his passing and this prestigious body extends our deepest sympathy to the family. (Sponsored by Representative Crupper)

Agreed.

Representatives McBee moved the adoption of the following Legislative Citation No. 86:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Mayor Guthrie M. Wilson and the citizens of the City of Bardstown on your Bicentennial Celebration of your most historic and magnificent City. Bardstown has provided our state with a great heritage of which we can boast, a beautiful city incorporated in 1788. All Kentucky City Hall of Fame Award for outstanding achievement in Community Development in 1977 is complimentary. Bardstown is exceedingly proud of its world-wide reputation gained by My Old Kentucky Home known throughout the world as the symbol of Stephen Foster's most endearing song. The Stephen Foster Drama is most intriguing with its beautiful melodies ringing from an outdoor amphitheater. The drama affords local college students an opportunity to exercise their talents. Bardstown creates a mental atmosphere of the days of the Southern Belle and gallant gentlemen, provides accommodations for recreation, family entertainment and educational experiences. The opportunities you afford the people of Kentucky to learn and enjoy the history of our State brought to life with your invitation, "The door is open in Bardstown where hospitality awaits you" is commendable. As you celebrate your two hundredth birth may fond memories be perpetual. (Sponsored by Representative Rapier)

Agreed.

Representatives Yates moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Yates moved the adoption of the following **HR 131.**

HR 131, A RESOLUTION adjourning the House of Representatives in honor of the Butler Bearettes Basketball Team.

WHEREAS, the Butler High School Bearettes Basketball Team won the State High School Girls Basketball Tournament on March 22, 1980; and

WHEREAS, Coach Tena Leahy has provided the leadership in establishing a spirit of team effort and developing the talent and skill of this winning team; and

WHEREAS, capturing the championship of the Sweet 16 is the highest achievement and greatest dream of all girls playing high school basketball; and

WHEREAS, the Butler Bearettes have generated a new enthusiasm and community solidarity by this accomplishment and have brought honor to their school;

NOW, THEREFORE

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That when the House adjourns on March 26, 1980, it does so in honor of the Butler Bearettes High School Basketball Team and Coach Tena Leahy.

Section 2. That The Clerk forward a copy of this resolution to Butler High School, the team members, and Coach Leahy.

Agreed.

A petition was filed to remove **SB 332** from the Consent Calendar.

Senate Message

Announcing passage of **HB 491** with Senate Amendment, **HB 114, HB 282, HB 356, HB 370, HB 446,** and **HB 911.**

Motions, Petitions, and Communications (continued)

Representative B. Richardson moved that the rules be suspended for Introduction of Resolutions and Report of Committees.

Introduction of Resolutions

HR 133, by Representatives Richards and Adams: A RESOLUTION recognizing March 26, 1980, as Bowling Green - Warren County Day.

Report of Committees

The Committee on Business Organizations and Professions reported **SB 187,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 187, AN ACT relating to alcoholic beverage control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 242 IS CREATED TO READ AS FOLLOWS:

(1) The provisions of this section shall be applicable in any city of the second class notwithstanding any other provisions of this chapter relating to the discontinuance of prohibition in any county, city, or territory which may be to the contrary.

(2) In any city of the second class in which prohibition is in effect in all or part of the city, and upon a determination that an economic hardship exists in one (1) or more of the voting precincts of the city in the manner prescribed in subsection (10) of this section, the governing body of the city shall by ordinance designate such precinct or precincts as a limited sale precinct or precincts and shall provide for an

election to be held in such precinct or precincts to take the sense of the people of each such precinct as to the discontinuance of prohibition in such precinct.

(3) The election shall be held in such precinct or precincts in the manner prescribed in KRS 242.010 to 242.040 and KRS 242.060 to 242.120. Such election shall not be deemed to be an election in the "same territory" within the meaning of subsection (5) of KRS 242.030; provided, however, that no election on the same question shall be held in the same precinct or precincts more often than once every five (5) years.

(4) The ballot for such election shall conform to the requirements of KRS 242.050 except that the form of the proposition shall be, "Are you in favor of the sale of alcoholic beverages in (official name and designation of precinct)?"

(5) If a majority of the votes cast in any limited sale precinct in which an election is held pursuant to this section are in favor of the sale of alcoholic beverages in that precinct, the governing body of the city shall by ordinance create or provide for the office of city alcoholic beverage control administrator and shall adopt a comprehensive regulatory ordinance covering the licensing and operation of establishments for the sale of alcoholic beverages within a limited sale precinct. In its discretion the governing body may provide that:

(a) Only three (3) licenses permitting the package sale at retail of alcoholic beverages shall be granted within the territorial limits of any limited sale precinct.

(b) Only four (4) licenses to sell alcoholic beverages by the drink for consumption on the premises by the general public shall be granted in any one (1) limited sale precinct. One (1) such license in each limited sale precinct may be reserved for grant to any newly established hotel, motel or inn containing not less than fifty (50) sleeping units and having dining facilities for not less than one hundred (100) persons. The remaining three (3) licenses may be granted to a hotel, motel or inn meeting the aforestated requirements or to bona fide restaurants open to the general public having dining facilities for not less than one hundred (100) persons; and further provided that additional licenses to sell alcoholic beverages by the drink for consumption on the premises may be granted to social membership clubs established and maintained for the benefit of members only by bona fide fraternal or veterans organizations.

(6) The governing body may also incorporate in the regulatory ordinance such other reasonable rules and regulations as may be necessary or desirable for the proper administration and enforcement of this section and for the maintenance of public order in a limited sale precinct, and for the issuance of any licenses permitted by KRS 243.070; provided that any rule or regulation adopted in the regulatory ordinance shall conform to the requirements of KRS 241.190.

(7) Notwithstanding any limitations imposed on the city's taxing or licensing power by KRS 243.070 upon the discontinuance of prohibition in any limited sale precinct, the governing body of the city is hereby authorized to impose a regulatory license fee upon the gross receipts of each establishment located therein and licensed to sell alcoholic beverages. The regulatory license fee may be levied at the beginning of each city budget period at such percentage rate as shall be reasonably estimated to fully reimburse the city for the estimated costs of any additional policing, regulatory or administrative expenses related to the sale of alcoholic beverages in the city. Such regulatory license fee shall be in addition to any other taxes, fees or licenses permitted by law, but a credit against such fee shall be allowed in an amount equal to any licenses or fees imposed by the city pursuant to KRS 243.070.

(8) Subject to the limitation imposed by subsection (3) of this section, no provision contained in this section providing for the establishment of a limited sale precinct shall preclude or abridge the right of the constitutionally qualified voters of such precinct to petition for a subsequent election on same question.

(9) If an election is held pursuant to other provisions of KRS Chapter 242 in the city or the county in which a limited sale precinct is located for the purpose of taking the sense of the voters upon the question of adopting or repealing prohibition for the entire city or the entire county, the status of such question in a limited sale precinct shall be determined in the following manner:

(a) The status of a limited sale precinct shall not be affected by any election for the entire city or the entire county if such limited sale precinct was established less than five (5) years prior to the date of the proposed election for the entire city or the entire county and in such case no ballot shall be furnished to the voters of any limited sale precinct in such election.

(b) If such limited sale precinct was established more than five (5) years prior to the date of the proposed election for the entire city or the entire county, the voters within each limited sale precinct shall be furnished a ballot upon which the question shall be, "Are you in favor of continuing the sale of alcoholic beverages in (official name and designation of precinct) as a limited sale precinct?" No other ballot shall be furnished to the voters of any limited sale precinct.

(c) The ballots of each limited sale precinct shall be counted separately, and, if a majority of the votes cast in the limited sale precinct are in favor of continuing the sale of alcoholic beverages therein as a limited sale precinct, then such status shall continue within such precinct, except that if the city or the county in which the limited sale precinct is located votes against prohibition in the remainder of the city

or the county, the limited sale precinct status of any precinct may be terminated by the governing body of the city or the county and thereafter the status of such precinct shall be the same as that in effect for the remainder of the city or the county.

(10) Any precinct located entirely within any city of the second class in which prohibition is in effect in all or part of the city shall be designated as a limited sale precinct by the governing body of the city; provided that:

(a) The governing body determines to its satisfaction that the general trade, business and economy of one (1) or more of the precincts within the city is substantially adversely affected by reason of the legal sale of alcoholic beverages in any neighboring or adjoining state, county, city, town, district or precinct. For the purpose of making such determination, the governing body may hold such hearings, examine such witnesses or receive such evidence as it believes necessary or desirable for such purpose; or

(b) The governing body receives a petition signed by a number of constitutionally qualified voters of a precinct equal to thirty-three percent (33%) of the votes cast in the precinct at the last preceding general election requesting the governing body of the city to designate such precinct as a limited sale precinct. The petition may consist of one (1) or more separate units and shall be filed with the mayor of the city. In addition to the name of the voter, the petition shall also state his post office address and the correct date upon which his name is signed. Upon receipt of the petition, the mayor shall cause the same to be presented to the governing body of the city at its next regularly scheduled meeting and, after verifying that such petition is in compliance with the requirements of this section, the governing body shall forthwith by ordinance designate the precinct to be a limited sale precinct.

Section 2. KRS 242.1293, Election in county with city of second class with prohibition for limited sale by the drink for on-premises consumption, is repealed.

The Committee Amendment No. 1 to **SB 187** is as follows:

Amend printed copy of **SB 187**, page 7, after line 12, by adding the following:

"Section 2. KRS 244.290 is amended to read as follows:

(1) No premises for which there has been granted a license for the sale of distilled spirits or wine at retail shall be permitted to remain open for any purpose between midnight and 8 a.m., or at any time during the twenty-four hours of a Sunday, or during the hours the polls are open on any regular, primary, school or special election day, provided, that if a licensee provides a separate department within his licensed premises capable of being locked and closed off, within which is kept all stocks of distilled spirits and wine, and all fixtures and apparatus connected with his business as a licensee, and said department is kept locked during the times mentioned above, he shall be deemed to have complied with this section; except that the city council, board of aldermen or other municipal legislative body of cities of the first *four classes*[, second or third class] in which traffic in distilled spirits and wine is permitted under KRS chapter 242 shall have the exclusive right and power, by ordinance duly enacted, to establish the hours and times in which distilled spirits and wine may be sold within its jurisdictional boundaries, and except further that the fiscal court of each county in which cities of the first *four classes*[, second or third class] are located shall have the exclusive right and power to establish the hours and times in which distilled spirits and wine may be sold over that portion of the county which lies without the corporate limits of such cities, except any portion in which distilled spirits and wine are prohibited from being sold. Provided, however, that no distilled spirits or wine may be sold in any portion of the counties containing cities of the first *four classes*[, second or third class] during the twenty-four hours between 6 a.m. Sunday and 6 a.m. Monday, except as provided in *subsections* [subsection] (2) *and (4)* of this section, and that no distilled spirits or wine may be sold on any election day while the polls are still open; and provided, also, that all stocks of distilled spirits and wine must be kept locked during the hours which the licensee is prohibited from selling same.

(2) In any county containing a city of the first or second class in which the sale of distilled spirits and wine is permitted under KRS chapter 242, an election on the question of permitting the sale of distilled spirits and wine by the drink on Sunday may be held as provided in KRS 242.020 to 242.040 and 242.060 to 242.120. In any election, the form of the proposition shall be, "Are you in favor of the sale of distilled spirits and wine by the drink between the hours of one p.m. and midnight on Sunday in (name of county)?"

(3) In any county containing a city of the first or second class in which the sale of distilled spirits and wine by the drink is permitted on Sunday as provided in subsection (2) of this section, holders of distilled spirits and wine retail drink licenses may apply to the administrator of the distilled spirits unit for a special Sunday sale retail drink license. Upon receipt of an application and payment of the prescribed fee, the administrator shall issue a license.

(4) In any city of the first class, second class, third class, or urban-county government, or counties containing a city of the first four classes, or urban-county government in which the sale of distilled spirits and wine is permitted under KRS Chapter 242, the respective board of aldermen, city council, or fiscal court, of these areas, shall have the power by duly enacted ordinance, to permit the sale of distilled spirits and wine on Sunday from 1:00 p.m. until a closing hour to be established by the legislative body of the area concerned by hotels, motels, convention centers, restaurants and commercial airports who are licensed for the retail sale of distilled spirits and wine by the drink and who have dining facilities with a minimum seating capacity of fifty (50) people at tables and who receive at least fifty percent (50%) or more of their gross annual income from their dining facilities by the sale of food. Upon receipt of an application and payment of the prescribed fee, the administrator shall issue a special Sunday license.

(5) The hours so fixed by the legislative body of the first four classes, shall not prohibit the sale of distilled spirits or wine at retail between 8 a.m. and midnight on any day except Sunday.

Section 3. KRS 244.480 is amended to read as follows:

(1) Except as provided in subsection (2), no brewer or distributor shall deliver any malt beverages on Sunday or between the hours of 7 p.m. and 6 a.m. on any week day except Saturday, when the hours of deliveries shall be between 6 a.m. and midnight. No retailer shall sell, give away or deliver any malt beverages between midnight and 6 a.m. or at any time during the twenty-four (24) hours of a Sunday or during the hours the polls are open on an election day.

(2) The legislative body of a city of the first *four classes*[, second or third class] in which traffic in malt beverages is permitted by KRS chapter 242, shall have the exclusive power, subject to subsection (3), by ordinance, to establish the times in which malt beverages may be sold within its jurisdictional boundaries. The fiscal court of each county in which a city of the first *four classes*[, second or third class] is located shall have the exclusive power, subject to subsection (3), to establish the times in which malt beverages may be sold in that portion of the county which lies without the corporate limits of such a city, except any portion in which malt beverages are prohibited by KRS chapter 242 from being sold.

(3) Notwithstanding subsections (1) and (2):

(a) The hours so fixed by the legislative body of a city of the first *four classes*[, second or third class], and by fiscal courts, shall not prohibit the sale, gift or delivery of any malt beverages between 6 a.m. and midnight during week days; and

(b) No malt beverages shall be sold on any election day while the polls are still open."

And on page 7, line 13 renumber "Section 2" to be "Section 4."

The Committee on Appropriations and Revenue reported **SB 19** with Committee Amendment attached thereto, and **SB 236** with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 19, AN ACT relating to local government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 91A IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

(1) Except as limited by statute, any city, in accordance with the provisions of this Act may levy any of the following taxes or impose any of the following fees pursuant to Section 181 of the Kentucky Constitution:

(a) An ad valorem tax on real property with a situs within the city;

(b) A tax for municipal purposes on personal property, tangible or intangible, based on income, licenses or franchises, in lieu of an ad valorem tax thereon;

(c) License fees on stock used for breeding purposes; or

(d) License fees on franchises, trades, occupations and professions;

Provided, that any city of the first class shall not omit the imposition of an ad valorem tax on such property of any steam railroad, street railway, ferry, bridge, gas, water, heating, telephone, telegraph, electric light or electric power company.

(2) The power to impose a tax includes the power to impose reasonable penalties for failure to declare tax liability if required, and to impose penalties and interest for failure to pay taxes when lawfully due. The power to impose a tax also includes the power to provide for its administration.

(3) Taxes may be imposed by a city only by ordinance. The purpose for which each tax is imposed shall be specified in the ordinance and the revenue generated shall be expended for no other purpose than that for which the tax is imposed. Failure to specify the purpose of a tax shall render the ordinance invalid.

(4) Each city shall impose annually a separate tax levy sufficient to provide for the interest and amortization of each of its general obligation bond issues, and the money so provided shall be accounted for separately and not used for any other purpose.

(5) Any city may provide by ordinance for reasonable differences in the rate of ad valorem taxation within different areas of the same taxing district on that class of property which includes the surface of land. Those differences shall relate directly to differences between nonrevenue-producing governmental services and benefits giving the land urban character which are available in one (1) or several areas of a taxing district in contrast to other areas of the same taxing district in which those services and benefits are not available.

(6) Any city may exempt manufacturing establishments from municipal taxation, for a period not exceeding five (5) years, as an inducement to their location within the city.

(7) Nothing in this section shall be construed to repeal, amend or otherwise affect any statute specifying or limiting tax or fee rates, exempting property from local taxation, fixing a special rate on proper classification or imposing a state tax which is declared in lieu of all local taxation, nor shall it be construed to authorize a city to require any company that pays both an ad valorem tax and a franchise tax to pay a license tax.

SECTION 2. A NEW SECTION OF KRS CHAPTER 91A IS CREATED TO READ AS FOLLOWS:

(1) Any city may by ordinance elect to have all city ad valorem taxes including delinquent taxes collected by the sheriff of the county. The election shall be effective only if a copy of the ordinance is delivered to the sheriff as soon as practicable, and a copy of the ordinance levying the taxes to be collected is delivered to the county clerk as soon as practicable. If the city so elects:

(a) The county clerk shall place city ad valorem taxes due on the tax bills of owners of property in the city prepared in accordance with KRS 133.220 and 133.230.

(b) The sheriff shall collect all city ad valorem taxes including delinquent taxes in the same manner as county ad valorem taxes as provided in KRS Chapter 134 and the sheriff shall be compensated in an amount calculated to defray additional costs to the sheriff for the services performed, but such amount shall not exceed the rates provided for tax collection by KRS Chapter 134. All procedures provided by KRS Chapter 134 concerning collection of delinquent taxes by counties shall be applicable.

(2) If a city does not elect to have city ad valorem taxes collected by the sheriff as provided in subsection (1) of this section, city ad valorem taxes shall be due and payable at the same time as state and county ad valorem taxes are due and payable, unless otherwise prescribed by ordinance or statute. The city shall establish by ordinance procedures for the collection of ad valorem taxes which shall specify the manner of billing, the place for payment, discounts, if any, for early payment, penalties and interest for late payment, and other necessary procedures related to ad valorem tax administration.

(3) In cities proceeding under subsection (2) of this section, ad valorem taxes upon real or personal property shall be delinquent if not paid by the date set by ordinance or statute. A lien superior to all other liens, except a lien for state taxes, whether such liens were acquired before or after the maturity of the taxes referred to in this section, shall exist in favor of the city from the date the taxes are due, for the amount of the taxes, interest and penalties, upon all the real and personal property of the delinquent taxpayer. The city may enforce the lien by action in the name of the city in the circuit court. In that action it may also obtain a personal judgment against the delinquent taxpayer for the tax, penalties, interest and costs of the suit.

SECTION 3. A NEW SECTION OF KRS CHAPTER 91A IS CREATED TO READ AS FOLLOWS:

(1). Each property valuation administrator shall, as soon as completed, deliver to each city in the county a copy of that portion of the assessment records which represents the assessment of property within the city. The property valuation administrator shall be reimbursed for the cost of providing this service by the department of finance.

(2) The assessment dates for the city shall conform to the corresponding dates for the county.

(3) Each city shall use the annual county assessment for property located within the city as the basis for city ad valorem tax levies, unless the city legislative body provides for the assessment of such property by the city through the adoption of an ordinance which shall:

(a) Assign responsibility for property assessments to an office of the city created by ordinance.

(b) Provide for a board of equalization and such procedures as are necessary to meet constitutional requirements for due process in any grievance or remedy sought by city taxpayers.

(c) Provide assessment procedures in such detail as necessary to fully safeguard any city ad valorem tax revenues, meet all constitutional requirements for property valuation, due process and equal protection under the law and to insure orderly administration of the assessment process.

(4) If a city elects to provide by ordinance for the assessment of property for ad valorem tax purposes by the city, appeals from the decisions of the city board of equalization shall be taken in the same manner as appeals from decisions of county boards of equalization.

SECTION 4. A NEW SECTION OF KRS CHAPTER 91A IS CREATED TO READ AS FOLLOWS:

(1) The legislative body of each city or urban-county government which elects to impose and collect license fees or taxes upon insurance companies for the privilege of engaging in the business of insurance shall file with the commissioner of insurance a copy of all ordinances and amendments thereto which impose any such license fee or tax.

(2) Any license fee or tax imposed by such a city or urban-county government upon any fire insurance company shall be based upon a percentage of the premiums received by the company within the preceding calendar year, for insurance on property located within the corporate limits of the city or urban-county government, less all premiums returned to policyholders. A fire insurance company entering a city or urban-county government during a license year shall at the end thereof promptly pay to such city or urban-county government the full additional tax due on such percentage basis.

(3) Any license fee or tax imposed by such a city or urban-county government upon a life insurance company may be based upon premiums received, and if so based shall be applied to premiums from new policies written within the preceding calendar year upon the lives of persons residing within the corporate limits of such city or urban-county government.

(4) Any license fee or tax imposed by such a city or urban-county government upon any insurance company other than those specified in subsections (2) and (3) shall be based upon a percentage of the premiums received by such company within the preceding calendar year on risks located within the corporate limits of the city or urban-county government on those classes of business which such company is authorized to transact, less all premiums returned to policyholders; provided, however, that any license fee or tax imposed upon premium receipts on a percentage basis shall not include premiums received for insuring employers against liability for personal injuries to their employes, or death caused thereby, under the provisions of the workmen's compensation act.

(5) The department of insurance shall, by regulation, provide for a reasonable collection fee to be retained by the insurance company or its agent as compensation for collecting such tax; provided, however, that the collection fee shall not be more than thirty percent (30%) of the fee or tax collected and remitted to the city or urban-county government or two percent (2%) of the premiums subject to the tax, whichever is less. To facilitate computation, collection and remittance of the fee or tax and collection fee provided herein, the fees or taxes set out in subsection (1), (2), (3) or (4) of this section, together with the collection fee herein may be rounded off to the nearest dollar amount.

(6) Accounting and reporting procedures for collection and reporting of the fees or taxes and the collection fee herein provided shall be determined by regulations promulgated by the department of insurance.

(7) Upon written request of the legislative body of any city or urban-county government, at the expense of the requesting city or urban-county government which shall be paid in advance by such city or urban-county government to the department of insurance, the department of insurance shall examine or cause to be examined by contract with qualified auditors the books or records of the insurance companies or agents subject to such fee or tax determine whether the fee or tax is being properly collected and remitted, and the findings of such examination shall be reported to such city or urban-county government. Willful failure to properly collect and remit the fee or tax imposed by a city or urban-county government pursuant to the authority granted by this section shall constitute grounds for the revocation of the license issued to an insurance company or agent under the provisions of KRS Chapter 304.

(8) The license fees or taxes provided for by subsections (2), (3) and (4) of this section shall be due at the beginning of the tax year. The city or urban-county government may collect a fee of five dollars ($5) from any company whose fee or tax on the percentage of premium basis is less than five dollars ($5).

SECTION 5. A NEW SECTION OF KRS CHAPTER 91A IS CREATED TO READ AS FOLLOWS:

(1) Every fiduciary appointed under the laws of this state or by a deed or will recorded in any county clerk's office in this state who has the management of any lands or improvements in the city, every agent of a non-resident owner of property located in the city who collects the rent thereof, and every person who collects the rent or income or enjoys by occupation the profits of lands or improvements owned by his spouse and located in the city, shall, before the date such taxes are due and payable, pay out of the net income

of the lands and improvements the city tax assessed upon the same in the preceding year, with accrued interest, before applying the income to the wants of, or paying it over to, his beneficiary or employer. In default thereof, he shall be liable for the tax to the amount of the income that he might have so applied, which liability may be enforced by equitable proceedings in any court of competent jurisdiction. In such proceedings it shall not be an answer that the city has a security in its lien upon the lands and improvements and the right to sell same for taxes.

(2) Tax bills assessed against an administrator, executor or trustee shall be a charge upon and may be enforced against the whole succession of trust estates, in addition to other remedies provided for in this chapter.

Section 6. The following KRS sections are repealed:

82.085 Rate variations in local ad valorem taxes — Permission to have.

82.090 Cities may impose occupational taxes on state officers and employes except elected officers paid on per diem basis.

91.100 Assessor.

91.110 Tax receiver.

91.200 City license taxes — Imposition — Rate — Collection — Transfer of surplus to general fund — Use — Restriction on ad valorem tax for sinking fund purposes — Issuance and enforcement of licenses.

91.260 Ad valorem taxes — Taxes based on income, licenses and franchises — Exemption of manufacturing establishments.

91.270 Taxes based on income, licenses and franchises — Payment and collection — Disposition of revenue — Penalty — Lien.

91.280 General and special tax levies — Crediting of collections — Diversion forbidden — Failure to make levy.

91.310 Assessment of real and personal property — Definition of terms.

91.320 Property, how listed for assessment — Taxpayers' lists — Assessment in office of property valuation administrator — Inquiries by assessor — Records of real estate transfers.

91.330 Correction of taxpayer's list by assessor — Review.

91.340 Assessor to view property before assessing it.

91.350 Assessment returns to be available to public — What to show.

91.360 Designation of real property — Errors and omissions.

91.370 Retrospective assessment.

91.375 Omitted property.

91.380 Remedies applicable to corrected and retrospective assessments.

91.390 Board of equalization.

91.400 Proceedings before board of equalization — Appeal.

91.410 Effect of failure to elect board or failure of board to act — Taxpayer's complaint and remedy.

91.420 Tax bills, how made out and listed for collection — Evidence of validity of tax.

91.430 Taxes, when to be paid — Discounts — Interest and penalties.

91.440 Enforcement of taxes against fiduciaries, agents and trust estates.

91.450 Tax notice.

91.460 Report of unpaid tax bills.

91.470 Sale of personal property for city taxes.

91.480 Sale of real property for city taxes.

91.490 Tax bill sufficient authority for sale of property — Amount to be made from sale — Resale.

91.500 Purchase by city of real property at tax sale — Disposition of property — Purchaser's duty to bring property into compliance with building and housing codes.

91.505 Notice required for action against city by lienholders.

91.510 Redemption of real property sold at tax sale.

91.520 Report and record of property sold for city taxes.

91.530 Certificate of purchase of real property at tax sale.

91.540 Deed to purchaser at tax sale — Effect as evidence.

91.550 Collection of taxes on property of infant or person of unsound mind — Protection of future estates.

91.580 Taxes recovered by action to be paid to tax receiver.

91.590 Relief against unlawful distraint or garnishment.

91.600 Personal property tax bills to be canceled when uncollectible.

91.610 Obligation of city to taxpayer, deduction of tax from.

91.620 Capital stock of incorporated banks, trust companies, and guaranty or security companies, how assessed.

91.630 Capital of individuals and unincorporated companies, how assessed.

91.640 Value of capital, how determined.

91.650 Notice of assessment — Application for change of valuation.
91.660 Tax bills, how made out and collected.
91.670 Stockholders not required to list stock if corporation pays tax.
91.680 Assessment of capital stock when no report filed.
92.020 Fiscal year for cities other than the first class.
92.120 Assessor and deputies in cities of third class.
92.150 Collector and deputy in cities of third class — Collector-treasurer or clerk-collector.
92.200 Commissioners of sinking fund in cities of second class.
92.210 Annual tax for sinking fund purposes.
92.220 Administration and investment of sinking fund.
92.230 Board of sinking fund commissioners in cities of third class.
92.240 Board of equalization in cities of second class.
92.250 Board of supervisors in cities of third class.
92.260 Supervisors of taxes in cities of the fourth class.
92.270 Board of equalization in cities of fifth and sixth classes.
92.280 General power of cities to tax.
92.281 Levy of all taxes authorized by Const., § 181 — Exceptions — Occupational tax.
92.285 License tax on insurance companies — Basis — Ordinances to be filed with department of insurance — When tax due — Minimum tax.
92.290 Situs for taxation in cities of third, fifth and sixth classes.
92.300 Exemptions from city taxation.
92.310 Licenses, how granted in cities of fifth and sixth classes.
92.320 Licenses for horse-drawn vehicles, business authorized by.
92.330 Purpose of tax to be specified — Funds not to be diverted.
92.340 Liability for violating KRS 92.330 — Remedies.
92.410 Definitions for purposes of assessment and taxation.
92.420 Assessment date for city taxation.
92.430 Assessment lists and assessment procedure in cities of second class.
92.440 Equalization of assessments in cities of second class.
92.450 Omitted property, action to assess in cities of second class.
92.460 Assessment list and assessment procedure in cities of third class.
92.470 Omitted property or irregular or improper assessment in cities of third class.
92.480 Equalization of assessments in cities of third class.
92.490 Assessment list and assessment procedure in cities of fourth class — Census.
92.500 Assessment in wrong name in cities of fourth class — Failure to give true list of taxable property — Omitted property.
92.510 Equalization of assessments in cities of fourth class.
92.520 Assessment list and assessment procedure in cities of fifth and sixth classes.
92.530 Equalization of assessments in cities of fifth and sixth classes.
92.540 Manner of assessment, levy and collection, how regulated by ordinance in cities of second, fifth and sixth classes.
92.550 City tax records in cities of second class constitute notice — Irregular tax proceedings.
92.560 Tax bills, how made out and delivered in cities of second class.
92.570 Tax bills, how made out and delivered in cities of third class.
92.580 Tax bills, how made out and delivered in cities of fourth class.
92.590 Time and manner of paying taxes in cities of second, third and fourth classes — Discounts, interest and penalties.
92.600 Collection of city taxes from fiduciary or agent in cities of second and fourth classes.
92.610 Collection of taxes from debtor of taxpayer in cities of second class.
92.620 Powers and duties of collector in cities of third class — Credit for delinquent taxes.
92.630 Settlements of collector with city council and board of education in cities of fourth class.
92.637 Map and statement showing taxes due, due date and collector filed with county clerk in fifth and sixth-class cities in county having first-class city.
92.640 Collection of city taxes in cities of fifth and sixth classes.
92.650 Property subject to sale for taxes — Tax liens — Trust estates.
92.660 Distraint and sale of personal property for taxes.
92.670 Levy upon and sale of real property for taxes in cities of second class.
92.672 Certificates of delinquency — Interest — Evidence.
92.674 Proceedings on certificate of delinquency — Limitations.
92.676 Payment of certificate of delinquency.
92.678 Enforcement of certificate of delinquency.

92.680 Levy upon and sale of real property for taxes in cities of third class.
92.690 Levy upon and sale of real property for taxes in cities of fourth class.
92.700 Enforcement of tax liens in cities of fifth and sixth classes — Effect of tax deed.
92.710 Report of tax sales in cities of second, third and fourth classes — Certificate to purchaser — Notice to owner.
92.730 Redemption of real property sold for taxes in cities of third class.
92.740 Redemption of real property sold for taxes in cities of fourth class.
92.750 Redemption of property sold for taxes in cities of fifth and sixth classes.
92.760 Conveyance to or vesting of title in purchaser.
92.770 Recovery of taxes by action in cities of second class.
92.780 Recovery of taxes by action in cities of third class.
92.790 Recovery of taxes by action in cities of fourth class.
92.800 Remedies for collection of taxes cumulative in cities of second class.
132.285 Use by city of county assessment allowance for costs — City's power in adopting procedures to county assessment.

The Committee Amendment No. 1 to **SB 19** is as follows:

Amend printed copy of **SB 19,** page 5, delete all of lines 18 through 21 and insert in lieu thereof the following new subsection and renumber subsequent subsections accordingly:

"(2) Each city shall annually appropriate and pay each fiscal year to the office of the property valuation administrator for deputy and other authorized personnel allowance, supplies, maps and equipment, and other authorized expenses of the office one-half of one cent ($.005) for each one hundred dollars ($100) of assessment; Provided, That sums paid shall not be less than two hundred fifty dollars ($250), nor more than forty thousand dollars ($40,000) in a city having an assessment subject to city tax of less than two billion dollars ($2,000,000,000). This allowance shall be based on the assessment as of the previous assessment date. Each property valuation administrator shall file a claim with the city and the city shall order payment in an amount not to exceed the appropriation authorized by this section. The property valuation administrator shall be required to account for all moneys paid to his office by the city and any funds unexpended by the close of each fiscal year shall carry over to the next fiscal year."

page 6, line 17, between the comma and the word "appeals" insert the words "subsections (3) and (4) of this section shall not apply.", capitalize the word "appeals"

SB 236, AN ACT relating to motor vehicle and trailer registration, titling and theft, and making an appropriation therefor.

WHEREAS, for more than a quarter-century there have been unsuccessful attempts to improve Kentucky's vehicle registration and titling system; and

WHEREAS, Kentucky is now the only state in the nation without a motor vehicle title law; and

WHEREAS, under our present system there is inadequate capability to determine, prior to issuance of an ownership document, whether a vehicle for which such a document is issued is stolen, thereby facilitating commerce in stolen vehicles; and

WHEREAS, inadequacies in Kentucky's present vehicle registration system are a potential stumbling block to criminal investigations, state and nationwide; and

WHEREAS, a delinquency rate in personal property tax collections associated with motor vehicles and trailers, of approximately fifteen percent (15%), results in an annual revenue loss of six to eight million dollars to the state and local taxing jurisdictions and districts; and

WHEREAS, a system of accounting for more than two million motor vehicles and trailers, their owners, and their taxation cannot be efficiently handled with manual techniques; and

WHEREAS, an automated vehicle information system is established and successfully operating in nineteen (19) counties, that, with appropriate modification, expansion, and support from this assembly, can cost effectively meet the needs of all interested parties and provide greater convenience to the public; and

WHEREAS, the state-wide automated motor vehicle and trailer registration and titling system, combining both registration and titling in a single modern business information system, is the keystone of a combined traffic records system that will improve the safety of all citizens of this Commonwealth, as well as others; and

WHEREAS, the present method of staggered registration is inconvenient for the public, when compared with a birth month system, and is inefficient and costly in relation to the automated system; and

WHEREAS, certain statutory deficiencies hamper the ability of Kentucky's law enforcement agencies to combat organized auto theft;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186A.010 is amended to read as follows:

(1) *An automated motor vehicle and trailer registration and titling system shall be developed and implemented as expeditiously as practicable in all counties of the Commonwealth* [It is the intention of the general assembly that an automated motor vehicle and trailer registration system be developed and that pilot projects be instituted in selected counties, subject to the agreement of the county clerk of a selected county. The counties in which pilot projects shall be instituted shall be selected by the secretary of the department of transportation in consultation with the departments of revenue and justice]. The automated motor vehicle and trailer registration system shall be designed to enable Kentucky's county clerks to produce motor vehicle and trailer certificates of registration in their offices, and certificates of title in Frankfort, by automated means utilizing telecommunication terminals and associated devices supplied by the Commonwealth, to inhibit registration and transfer of stolen motor vehicles or trailers, to improve the capability of detecting and recovering such vehicles, to ensure development of a common vehicle information data base to improve efficiency *in collecting and* [in] auditing motor vehicle usage tax, [and] license fee collections, *and personal property tax,* to provide information to the traffic record system, and to provide improved security interest protection to potential creditors throughout Kentucky while simultaneously reducing the number of forms that must be processed and stored each year in Kentucky.

(2) The department of transportation is hereby directed to develop *as expeditiously as practicable* an automated motor vehicle and trailer registration *and titling* system [design,] having, as a minimum, the capabilities or functions described in this chapter, and to acquire and assure the installation of such equipment or services as are necessary to enable the system as described in this chapter to be *operated in all counties of the Commonwealth* [tested in selected counties].

(3) *All* [The department of transportation is directed to ensure that the system developed will produce the necessary reports in such manner and at such times as the departments of revenue and justice request, to enable these departments to audit the taxes and fees collected by the county clerk in connection with the registration of a motor vehicle or trailer required to be registered in this state, and that the system produces such other information as the department of justice may reasonably require in connection with the registration of a motor vehicle or trailer, in carrying out the duties of that department as they relate to the regulation of motor vehicles or a traffic records system.

(4) The] departments of *state government affected by the system* [revenue and justice] are hereby directed to cooperate with the department of transportation for purposes of assuring orderly implementation of this *Act* [chapter].

SECTION 2. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) (a) The bureau of vehicle regulation shall have full responsibility and authority for day-to-day administration of the automated system and related functions described by this chapter; and

(b) May request the assistance of any department or bureau of state government in carrying out its responsibilities under this Act.

(2) The bureau of vehicle regulation shall assure, to the extent feasible, twenty-four (24) hour, year-around information support to the bureau of state police, and to other law enforcement agencies state and nationwide, regarding vehicles registered and, when required, titled in this state.

SECTION 3. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

In order to improve collection of personal property (ad valorem) taxes associated with motor vehicles and trailers, the bureau of vehicle regulation, in cooperation with the department of revenue, shall:

(1) Ensure that the automated system provided by this chapter is capable of properly assigning a value for each vehicle registered in a county, utilizing a value reference manual in machine readable form approved by the department of revenue, and a manually entered value for vehicles not shown in such "manual."

(2) Promptly study the feasibility of computing personal property (ad valorem) taxes associated with motor vehicles or trailers, and producing tax bills or notices of taxes due in such regard, and if shown feasible to its satisfaction, implement such capability, or any part thereof, as expeditiously as practicable.

(3) Ensure that the automated system is capable of receiving the record of a lien for unpaid personal property (ad valorem) taxes associated with a motor vehicle or trailer and causing notice of such lien to be imprinted on any certificate of registration, certificate of registration and title, or if applicable, certificate of title unless such lien is satisfied or exonerated.

(4) Ensure that the automated system design will permit the county clerk to transfer the record of an unpaid property (ad valorem) tax lien against a motor vehicle or trailer, from a vehicle previously owned by an owner, to another vehicle subsequently registered in his name.

SECTION 4. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Other provisions of the statutes to the contrary notwithstanding, the requirement that a sticker or emblem evidencing security (insurance) be affixed to a motor vehicle shall be waived:

(1) Upon a finding by the commissioner of the department of insurance that the underlying purpose(s) of KRS 304.39-085 may be accomplished by the filing of appropriate evidence of insurance with the county clerk, and entry of data concerning such filing into the automated system provided for by this chapter; and

(2) Upon the implementation of a program approved by the commissioner of the department of insurance consistent with this section.

SECTION 5. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) All motor vehicles with a gross vehicular weight of 10,000 pounds or less, and trailers, first registered, or for which the registration is renewed in this state on or after January 1, 1981, shall be placed in a system of year-round registration based upon the birth month of the owner, in order to distribute the work of registering motor vehicles as uniformly as practicable throughout the twelve (12) months of the year.

(2) If the owner of a motor vehicle or trailer is other than an individual, the month in which the owning entity came into being shall be used for purposes of this section. If a motor vehicle or trailer is jointly owned, the owners shall indicate to the county clerk the birth month of one of them to be used for purposes of this section.

(3) The certificate of registration and license plate issued for a motor vehicle or trailer first registered in this state on or after January 1, 1981, shall be valid, unless cancelled by the department in accordance with KRS Chapter 186 or this chapter, upon payment of the required fee, for a period beginning on the first day of the month of the year in which registration is applied for, and expiring on the last day of the next birth month of the owner following the month during which registration is applied for, provided however that, upon the owner's request, and after payment of the proper prorated fee, an owner may obtain a certificate of registration and license plate valid through the last day of his second birth month following the month and year in which he applies for a first certificate or registration.

(4) After a motor vehicle or trailer has been initially placed in the system of year-round registration, the owner shall renew the registration and license plate annually during the owner's birth month, by making application to the county clerk and paying the fee required for twelve (12) consecutive months of registration, which shall take effect on the first day of the month succeeding the owner's birth month and shall expire on the last day of the owner's next birth month.

(5) Any owner who fails to renew the registration of a motor vehicle during the month in which the previous registration expired, shall, if he applies for renewal of the registration in some later month, pay the same fees that would have been required if the registration had been renewed in the month which the previous registration expired.

(6) Fees which must be prorated in carrying out the intent of this section shall be prorated on the basis of twelfths of the annual registration fee. Any vehicle which is registered at any time during a month, shall pay the fee required for that whole month plus any additional months of registration purchased consistent with the intent of this section.

(7) The county clerk shall ensure that the certificate of registration issued to an owner displays the month and year in which the registration period begins, and the month and year of its expiration, and shall issue to the owner a decal or decals corresponding to the month and year of expiration shown in the certificate of registration which shall be placed upon the corresponding license plate by the owner in the manner required by administrative regulations of the bureau of vehicle regulation.

SECTION 6. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The department of transportation shall ensure that by June 30, 1982, each county in the Commonwealth is equipped with at least one, or more than one, as workload dictates, video telecommunications terminals and associated devices, linked to a computer in Frankfort maintained by the Commonwealth, and capable of enabling the county clerk to produce certificates of registration in their offices, and certificates of title in Frankfort, in a manner consistent with this chapter.

SECTION 7. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The certificate of title blanks required by this chapter shall be designed and printed to make difficult, and facilitate detection of counterfeit likenesses or fraudulent alteration of genuine documents. The bid specifications for the acquisition of the certificate of title blanks shall require, as a minimum:

(1) That bidders have a demonstrable reputation in the printing of currency or securities, and guarantee with an appropriate cash bond that, in addition to any other requirements, the document blanks to be supplied are printed in a secure printing facility, by intaglio steel plate printing process, from line engravings, utilizing a combination of the printing process, unique printing plates, paper, and inks to produce high quality documents designed to:

(a) Be readily recognizable as genuine by a layman, and by extra visual techniques;

(b) Make extremely difficult the manufacture of counterfeit likenesses by direct engraving, photographic or color xerographic means;

(c) Visually reveal actual or attempted alteration or erasure by chemical or mechanical means.

(2) That bidders guarantee production of a specific number of uniquely numbered documents with guaranteed accounting for spoilage, and a guaranteed list of document numbers supplied and those deleted.

(3) That the documents will be shipped to the Commonwealth by an agreed means to assure minimal risk of theft, loss or destruction.

(4) That the plates utilized in printing of the blanks will not be utilized for the printing of certificate of title blanks by other than the bidder pursuant to a lawful contract with the Commonwealth.

SECTION 8. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation, in cooperation with the bureau of state police, shall ensure that the automated vehicle registration and titling system provided for by this chapter will be designed, equipped, and operated so that, under normal conditions, the system will withhold production of a certificate of title until the vehicle identification number of a vehicle for which a title is sought, and when present its license number, has been automatically compared against the law information network Kentucky (LINK) and, unless it refuses to permit such an arrangement, the national crime information center (NCIC) computerized listing of vehicles reported stolen, and a "no stolen report" or its equivalent is received.

SECTION 9. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation is directed to develop, in cooperation with county clerks, auto dealers, and the departments of revenue and insurance and the bureau of state police, a combined vehicle transaction record form to permit, to the extent feasible, the recording on one side of one page, all information pertinent to the initial registration, taxation, and when required, titling, or transfer of registration and title of a vehicle. The form shall be utilized by all applicable parties in connection with the registration, and if required, titling of a vehicle in this state on and after January 1, 1982. The form shall have at least the following characteristics:

(1) An appropriate heading or title.

(2) A statement that the information required by the first or original of the form must be legibly printed in dark blue or black, permanent photo-reproducing ink or indelible pencil, or typed in black, except as to signatures, which shall be originally signed in dark blue or black photo-reproducing ink.

(3) A statement, prominently printed in boldface type, that any person who knowingly enters, or attests to the entry of, false or erroneous information upon the form shall be subject to the penalties of perjury.

(4) A seller or transferror section containing space for the seller or transferror's full legal name, mailing address and telephone number, including telephone area code, and if the seller or transferror is a motor vehicle dealer licensed in this state, a space for recording the dealer license number.

(5) An owner or buyer section, containing space for the owner or buyer's full legal name, mailing address, social security account number, or, if the owner is other than a person, its state or federal employer identification number, telephone number including telephone area code, and owner's birth month.

(6) A vehicle description section with space for the vehicle identification number, and if the vehicle is a motorcycle, a motor number; the make; model name; model number; year model; number of cylinders; style of body; and spaces for designating two colors, single or upper, and lower; and, if the vehicle is a truck, its gross weight.

(7) A section with spaces for recording prior registration and title information to include the previous owner's name, the state in which a vehicle was last registered or titled, and the title number, registration number, and year.

(8) An odometer disclosure section containing all information elements required by applicable federal law, except that, the language of the section shall incorporate by reference the transferror's address, the vehicle description, date of the statement and the transferee's name, address and acknowledgment, which shall appear on the same form, although not necessarily within the same section. Such section shall be imprinted with the warning that knowingly giving false or erroneous information is subject to the penalty of perjury in the second degree.

(9) A transferror's lien declaration section, containing the necessary means to obtain the following information: I __________ warrant that the vehicle described above is not subject to an unterminated lien in the name of a prior owner.

(10) A tax computation section for both new and used cars, consistent with requirements of the department of revenue.

(11) A section for the seller or transferror's certificate of truth and accuracy of the information. The section shall be printed in boldface type and shall read: I __________ (typed or printed name) hereby certify under penalty of perjury and applicable federal and state law and regulations that the foregoing information upon this form is true and correct to the best of my knowledge and belief. __________ (signature)

(12) This language shall be followed by the words and spaces required for a notarial certificate.

(13) An owner or transferee's lien declaration section, containing the necessary means to obtain the following information: I , (owner, transferee) have not applied for a loan in connection with the vehicle described above, and do not expect to do so within thirty (30) days of submission of this application to the county clerk.

(14) A lien information section containing the necessary elements to obtain the following information:

(a) This vehicle shall be subject to lien or liens, not exceeding two, in the name of the applicant, owner or transferee;

(b) A financing statement and required filing fees accompany this application;

(c). Spaces for recording as to a first and second lien, the lienholder's name and mailing address, including zip code; the date the lien was filed; file number (as supplied by the county clerk) and county in which the financing statement is filed;

(d) A statement as to whether a loan has been or will be applied for in connection with the vehicle, and whether a financing statement is expected to be filed within thirty (30) days of submission of this application to the county clerk.

(15) A section for an owner's request for issuance of a regular or special plate.

(16) A section for an owner's request for registration of a vehicle under a special fee classification.

(17) A section for the owner's statement of application for registration and when required, a certificate of title. The section shall state: I __________ (typed or printed name) hereby apply for registration of the vehicle described above, for a license plate of the type indicated, and, if required, a certificate of title. If I have requested that the vehicle be registered under a special use classification provided by statute, I certify that the vehicle will be operated consistent with the registration classification I have indicated. I certify under penalty of perjury that the information I have supplied is true and correct to the best of my knowledge and belief, followed by a space for the owner's signature. This language and space shall be followed by the words and spaces required for a notarial certificate.

(18) A section for the certified vehicle inspector's certificate of inspection of a vehicle from out of state, which shall include words and spaces as indicated: I __________ (printed or typed name and title) of __________ (printed or typed county) telephone area code and telephone number, do hereby certify under penalty of perjury that I have personally and physically inspected the vehicle described above, together with this application and its supporting documents, and the vehicle is as described hereon; the documents supporting this application are consistent with the vehicle description, including the vehicle identification numbers appearing upon this application, and that the vehicle identification number displayed upon the vehicle and supporting documents appear to be in order. The odometer reading at the time of my inspection was __________ miles/kilometers (circle one). The driver's license number of the owner is __________, state of __________. I hereby certify under penalty of perjury that the information I have given is true and correct to the best of my knowledge and belief. __________(signature) __________ (date).

(19) County clerk's section with words and spaces as appropriate, requiring the county clerk to:

(a) Enter the type, name of the issuer, identifying number and date of issue, of the document supporting the application, together with its document control number (as distinguished from title number) and the taxes and fees to be collected, including the number of months of registration sold, the month and year of expiration, and such decal numbers as may be required to permit audit of fee collections;

(b) Words requiring, and spaces for entry of, the name of the county in which the application was received together with the date and time of receipt, and space for the signature of the clerk or deputy, which shall be preceded by the words "I certify under penalty of perjury that I have reviewed this application and the documents supporting it; all supporting documents indicated hereon are present and consistent in pertinent part with this application, that I received the application on the date and at the time indicated hereon, and that I collected the fees as indicated. __________ (signature of clerk or deputy clerk, date, county).

(20) A statement that "I certify under penalty of perjury that this record was entered with due diligence into the automated system by me at or about ________(time) __________(date) __________(signature) __________ (title).

(21) Spaces for stamping the date and time of receipt of the application by the bureau of vehicle regulation and for the signature or prescribed symbol of the receipt clerk and for endorsements by processing clerks.

(22) A space for endorsement that title issuance was recommended to the bureau of vehicle regulation __________(date, time) by __________(signature) which shall be preceded by the words "I certify under

penalty of perjury that due diligence has been exercised in recommending issuance of title No. __________ in the name of the applicant for the vehicle described above __________(signature, date).

(23) The form may contain or require any other information deemed appropriate by the bureau of vehicle regulation in cooperation with the departments of revenue and insurance and the bureau of state police, and may be organized as efficiency dictates.

SECTION 10. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Except as otherwise provided, before the owner of a motor vehicle or trailer may operate it or permit its operation upon the highways of this state, he shall apply for and obtain a certificate of registration, and a license plate therefor in his name, and if the motor vehicle or trailer is of a year model designated 1983, or any year model thereafter, a certificate of title in his name.

SECTION 11. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) If the secretary of the department of transportation determines that each county in the Commonwealth cannot be equipped with operational terminals and associated devices consistent with this chapter, in sufficient time to efficiently implement the titling of vehicles of the year model 1983, or any year thereafter, he shall report such determination in writing, with reasons stated, to the governor not later than January 1, 1982.

(2) The governor may by executive order, extend by one (1) year, to 1984, the first year model of vehicles for which a certificate of title must be obtained in this state. Such order shall be made prior to June 30, 1982.

(3) The secretary of transportation shall, upon issuance of an executive order as provided in this section, give formal notice to appropriate agencies that such extension has been made.

SECTION 12. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No Kentucky certificate of registration, license plate, or certificate of title need be applied for or obtained for:

(1) A vehicle owned by the United States unless it is registered in this state;

(2) A vehicle owned by a manufacturer or dealer and held for sale, even though incidentally moved on the highway or used for purposes of testing or demonstration; or a vehicle used by a manufacturer solely for testing;

(3) A vehicle owned by a non-resident of this state, principally operated in another state, properly and currently registered and titled in another state;

(4) A vehicle regularly engaged in the interstate transportation of persons or property for which a currently effective lawful certificate of title has been issued in another state;

(5) A vehicle moved solely by animal power;

(6) An implement of husbandry;

(7) Special mobile equipment;

(8) A self-propelled wheel chair or invalid tricycle;

(9) A pole trailer;

(10) A motor vehicle engaged in the transportation of passengers for hire operating under a currently valid certificate of convenience and necessity; and

(11) Moped.

SECTION 13. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No county clerk shall accept an application for a certificate of registration, license plate, and when required, a certificate of title, unless the vehicle bears an apparently legitimate vehicle identification number, and if required, an apparently legitimate motor and frame number, as indicated by an owner's application.

SECTION 14. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The owner of a vehicle required to be registered in this state which:

(a) Does not have a legitimate vehicle identification number as affixed by a manufacturer regularly engaged in the original manufacture of the type vehicle for which registration is sought, or in accordance with the law of this or another state, or

(b) Has been built from parts, shall, before making application for registration of the vehicle, apply to the bureau of state police for issuance of a vehicle identification number plate, which shall be affixed to the vehicle in the manner prescribed by administrative regulations of the bureau of state police.

(2) The bureau of state police shall establish in cooperation with the bureau of vehicle regulation regulations governing the form of application required by this section, and may require inspection of the vehicle before a vehicle identification number plate has been issued and after such plate has been affixed to the vehicle.

SECTION 15. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

An owner of a vehicle for which a certificate of registration, license plate, and when required, a certificate of title must be obtained in this state, shall be allowed a ten (10) day grace period from the date on which he purchased a vehicle or brings a vehicle into the Commonwealth from another state, during which time the owner shall apply for and obtain a certificate of registration and a license plate in his name and, if required, apply for a certificate of title.

SECTION 16. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Whenever a vehicle for which a certificate of registration, license plate, and when required, a certificate of title, is operated upon the highways of this state, during the application grace period, the operator of such vehicle shall have proof of ownership in his custody, and shall exhibit such proof upon demand of a law enforcement officer.

SECTION 17. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) A motor vehicle dealer licensed under KRS 186.070 who sells a vehicle for use upon the highways of this state which has not previously been registered in this state, shall, unless the vehicle is bearing a license plate issued therefor in the name of the purchaser at the time it is delivered to the purchaser, equip the vehicle with a temporary tag executed in the manner prescribed below, which shall be valid for ten (10) days from the date the vehicle is delivered to the purchaser. A motor vehicle dealer licensed under KRS 186.070 shall apply to the county clerk of the county in which the dealer maintains his principal place of business for issuance of temporary tags. Application shall be made for such tags on forms supplied to the county clerk by the department of transportation.

(2) The county clerk of any county who receives a proper application for issuance of temporary tags shall record the number of each tag issued upon the application of the dealer for such tags, or if a group of consecutively numbered temporary tags are issued to a dealer in connection with a single application, record the beginning and ending numbers of the group on the application.

(3) The clerk shall retain, for a period of two (2) years, one (1) copy of the dealer's temporary tag application, and ensure that it reflects the numbers appearing on the tags issued with respect to such application, and shall, within five (5) days after issuing temporary tags, forward a copy of the application showing thereon tag numbers issued, postpaid, to the bureau of vehicle regulation.

SECTION 18. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Motor vehicle dealers and their agents, before equipping a vehicle with a temporary tag, shall print or stamp in waterproof ink, legibly, in the spaces provided on such tag:

(1) The month, day and year the vehicle was delivered to the purchaser,

(2) The month, day and year of expiration of the tag which shall be no more than ten (10) days following the date of delivery of the vehicle to the purchaser,

(3) The purchaser's name,

(4) The year model, make and vehicle identification number of the vehicle sold, and

(5) The dealer's name, city of principal place of business and the telephone number including telephone area code.

The dealer's employe who executes the temporary tag shall place his signature in the space provided. A dealer who issues, or whose agents issue, temporary tags shall keep a log of each temporary tag obtained, and each such tag issued, showing all information entered by the dealer or dealer's agent on forms supplied by the department, and shall make such log available for inspection by any law enforcement officer upon request. Such log shall be retained by the dealer for a period of at least two (2) years following the date of issuance of the last dated tags whose issuance is indicated on any individual temporary tag log sheet.

SECTION 19. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Both the dealer and the dealer's salesman or agent shall be liable for separate penalties for issuance of a temporary tag prior to sale of the vehicle on which the tag is placed by the dealer, for placement of a tag on a vehicle other than one purchased by the purchaser shown on such tag, for failure to fully execute as provided in this section a temporary tag which is placed upon a vehicle, and for failure to maintain the records required by this section.

SECTION 20. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Except as otherwise provided in this section, the owner of every vehicle brought into this state and required to be registered in this state, or which is brought into this state by other than a motor vehicle dealer licensed to do business in this state, shall, before submitting his application for registration and when

required, title, to the county clerk, have the vehicle together with his application for registration and its supporting documents inspected by a certified inspector in the county in which the application for registration is to be submitted to the county clerk.

(2) The following vehicles are excluded from the requirement of inspection by a certified inspector prior to registration in this state:

(a) New motor vehicles sold by a dealer licensed in this state;

(b) Vehicles required to be registered in this state by reason of lack of a reciprocity agreement with another state and for which a non-negotiable registration document is to be issued; and

(c) Motor vehicles operated by a motor carrier under a non-negotiable certificate or permit issued by the bureau of vehicle regulation.

(3) When presented to a certified inspector for inspection or to a county clerk for processing, the owner's application for a first certificate of registration in his name, and when required, a certificate of title, shall be accompanied by one of the following documents as applicable:

(a) If the vehicle is a new vehicle not previously registered in this state, the properly assigned manufacturer's statement of origin for the vehicle for which registration and when required, a certificate of title is sought.

(b) If the vehicle was last registered in this state, and is a vehicle for which a title is not required in this state, a properly assigned certificate of registration, or, if the vehicle is one for which a certificate of title is required in this state, a properly assigned certificate of title.

(c) If the vehicle was last previously titled in another state, a properly assigned certificate of title.

(4) If the application refers to a vehicle previously registered in another country, the documents of that country establishing ownership of the vehicle.

(5) If the application refers to a vehicle last previously registered in another country by a person on active duty in the armed forces of the United States, the county clerk may accept on behalf of the bureau of vehicle regulation evidence of ownership provided the applicant by the United States department of defense.

(6) If the application relates to a vehicle which has been specially constructed or reconstructed, that fact shall be stated in the application, and the application shall be accompanied by such documents as are specified by administrative regulations of the bureau of vehicle regulation.

(7) When requested to inspect a vehicle pursuant to this section, the certified inspector shall personally and physically inspect the vehicle for which registration is sought in this state, together with the vehicle transaction record form, and its supporting documentation, on the following points:

(a) He shall ensure that the vehicle transaction record and each of its copies are legible and properly executed to the extent required at the time of execution;

(b) He shall compare the vehicle identification number as appearing on both the vehicle identification number plate, and the federal safety standards label of the vehicle which is sought to be registered, with the corresponding number inscribed on the vehicle transaction record, and its supporting documentation, and ensure that the vehicle identification number appearing at each described location appears legitimate and that they are consistent with each other;

(c) He shall examine the primary odometer of the vehicle and legibly record the reading in the space provided in the inspection section of the transaction record; and

(d) After exercising due diligence in inspecting the vehicle, the vehicle transaction record, and its supporting documentation, and finding that they appear to be in order, the certified inspector shall execute the pre-printed certificate of inspection according to its terms by printing in the spaces provided, his first name, middle initial and last name, and his title, the name of the county in which he serves and the telephone number including the telephone area code of his agency, and sign in ink his signature in the space provided, and print the month, day and year in which his inspection was made, certifying under penalty of perjury the character, accuracy and date of his inspection.

(8) The certified inspector shall refrain from executing the certificate of inspection if:

(a) He has not personally and physically inspected the vehicle in accordance with this section;

(b) He has reason to believe that the vehicle displays an unlawfully altered vehicle identification number;

(c) The vehicle transaction record and any of its copies are illegible or otherwise improperly executed, or contain information reasonably believed to be inaccurate or fraudulent;

(d) The documentation required in support of an application is not present, or not consistent with the vehicle and the owner's application or appears fraudulent; or

(e) He has probable cause to believe the vehicle is stolen.

SECTION 21. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Application for a first certificate of registration, license plate, and when required, a certificate of title, shall be made by the owner to the county clerk of the county in which he resides, except that, if

a vehicle is purchased from a dealer other than in the county in which the purchaser for use resides, the purchaser, or the dealer on behalf of the purchaser, may make application for registration to the county clerk in either the county in which the purchaser resides, or in the county in which the dealer's principal place of business is located.

(2) A new vehicle, when first registered in this state, shall be registered in the name of the first owner for use rather than in the name of a dealer who held the vehicle for sale.

(3) If the owner of a vehicle required to be registered in this state does not reside in the Commonwealth, the vehicle shall be registered with the county clerk of the county in which the vehicle is principally operated.

(4) If the owner of a vehicle is other than an individual and resides in the Commonwealth, the vehicle shall be registered with the county clerk in either the county in which the owner resides or in the county in which the vehicle is principally operated.

SECTION 22. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Application for a first certificate of registration, and when required, certificate of title, in the name of an owner shall be made on forms prescribed by the bureau of vehicle regulation consistent with this chapter, which shall be available from any county clerk.

(2) Application forms shall be completed, except as to required signatures by legibly printing in ink, or typing, all required information. When a signature is required, such signature shall be given attesting under penalty of perjury to the truth and accuracy of the information supplied.

(3) The application, when presented to the county clerk, shall contain all required information and be fully executed with all required signatures present, and be accompanied by all required supporting documentation and fees.

(4) The county clerk shall reject any application upon which the information provided is not legibly printed or typed, the required information is not supplied, not accompanied by required supporting documents, not properly executed with required signatures, or when the clerk determines that the application is improper or that the applicant is not entitled to registration of the vehicle for which registration, and when required, certificate of title is sought, or in the absence of the required fees.

SECTION 23. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

There shall be paid for issuing and processing documents required by this chapter fees according to the following schedule:

(1) Each application for a certificate of title shall be ten dollars ($10), of which the county clerk shall retain three dollars ($3).

(2) Each application for a replacement or corrected certificate of title shall be eight dollars ($8) of which the county clerk shall retain two dollars ($2), provided however, that if a corrected certificate must be issued because of an error of the county clerk or the bureau of vehicle regulation, there shall be no charge.

SECTION 24. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) When the commissioner of the bureau of vehicle regulation determines that the automated vehicle registration and titling system is operational in a county, he shall so notify the county clerk of such county by a notarized statement sent to the county clerk by certified mail.

(2) After receiving the notice provided for by this section, the county clerk shall issue only those certificates of title and registration, or certificates of registration that have been produced through the automated vehicle registration and titling system, unless otherwise authorized by the administrative regulations of the bureau of vehicle regulation.

SECTION 25. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The bureau of vehicle regulation shall provide by administrative regulations, procedures for registration, and when required titling, for a vehicle in a county not equipped with automated facilities provided for by this chapter, or whose facilities have been rendered useless for a period exceeding one (1) day by reason of calamity.

(2) Procedures developed under this section shall be consistent with concepts that liens associated with motor vehicles shall be filed with the county clerk, and that a title shall be issued centrally from Frankfort, after careful review of an application to determine correctness and legitimacy of it.

SECTION 26. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Upon receiving an application of an owner for a first certificate of registration in his name and if required, a certificate of title, the county clerk or deputy clerk shall review the form, and each copy thereof, for legibility, completeness, and consistency of information. The clerk shall ensure that all documents required in support of the application accompany the application and that they are consistent in pertinent part with the statements upon the application.

(2) Upon determining that an application is in proper form, the county clerk or his deputy shall complete those elements of the form reserved to the county clerk, endorse the application in the manner directed upon the form, and then enter designated information from the application into the automated system, in the manner required by administrative regulations of the bureau of vehicle regulation consistent with this chapter.

SECTION 27. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

In the event that, at the time an application for a certificate of registration, and when required, a title, is presented to the county clerk, the automated system is not capable of accepting entry of the record of an application and producing a certificate of registration, the county clerk shall advise the applicant of the outage, and after accepting the owner's application, and collecting the required taxes and fees, indicate receipt of the application in the required manner, and issue to the applicant, the applicant's copy of the application which shall serve as a temporary certificate of registration until the certificate of registration produced by the automated system is received by the applicant. The clerk shall advise the applicant, or the applicant's agent, that the regular certificate of registration will be mailed to the applicant or the applicant's agent in due course, or held for call by the applicant or the applicant's agent, at the applicant's discretion.

SECTION 28. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

When the automated system becomes operational following a system outage, it shall be the duty of the county clerk to ensure that all applications received during the system outage are promptly entered into the system and that the certificates of registration produced by the automated system are promptly mailed postpaid or delivered to the owner.

SECTION 29. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The county clerk shall, upon issuing a certificate of registration, give or mail postpaid to the owner, his designated copy of his application, and if the seller or transferror's designated copy accompanied the owner's application when it was presented to the county clerk, the clerk shall make that copy available to the seller or transferror.

(2) The county clerk shall then file the clerk's copy of the owner's application in the manner stipulated by administrative regulations of the bureau of vehicle regulation.

(3) The department of revenue copy of the owner's application shall be forwarded to the department of revenue in the manner specified by its regulation.

SECTION 30. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Not later than 3 p.m. on the next business day after an application for a first certificate of registration and a certificate of title for a vehicle of a year model 1983 or any year thereafter, is received by him, the county clerk shall prepare in triplicate on forms supplied by the bureau of vehicle regulation, an application transmittal record.

(1) The clerk shall indicate thereon in the spaces provided, the name of his county, the date or time period the transmittal relates to and, in the order they are to be attached to the transmittal record, a notion for each application attached consisting of the applicant's last name and initials or if the applicant is other than an individual, the name commonly used by the applicant and the tentative title number and any other information required upon the form as indicated thereon.

(2) The clerk shall ensure that the original of all applications noted on the transmittal, together with the original of all required supporting documents are attached to the transmittal record in the order shown thereon, and shall thereafter sign and date the original of the transmittal record as of the date the transmittal is being forwarded to Frankfort.

(3) The county clerk shall place the original of each application record, with the original of each application shown thereon, and its required supporting documents, together with the acknowledgment copy of the transmittal record, in the envelope or other container provided by the bureau of vehicle regulation.

(4) The clerk shall then place the envelope or container with first class postage paid, directly into the hands of an employe of the U. S. postal service who is empowered to receive such mail, or in the alternative, place the envelope or other container into the proper receptacle for first class mail at the main post office of his county.

SECTION 31. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The bureau of vehicle regulation shall:

(a) Within five (5) working days following receipt by it of an application for a certificate of title in proper form, process the application and its supporting documents in the manner provided in this section, and, unless it finds discrepancies with respect to it or its supporting documents, issue a certificate of title in the name of the owner and send it postpaid to such owner.

(b) The bureau of vehicle regulation shall provide by regulation, a procedure for direct delivery, as distinguished from delivery by mail, of a certificate of title to an owner or owner's agent, and may establish a fee deemed reasonable by it for such service.

(2) Upon receiving an application packet from a county clerk, the application receipt clerk of the bureau of vehicle regulation shall:

(a) Cause the date and time of receipt to be stamped on both the bureau's copy and the acknowledgment copy of the application transmittal record and accompanying documents;

(b) Cause at least duplicate sets of microform images to be made of each transmittal record application and supporting document by a means that will provide rapid, selective, automated retrieval of individual document images by appropriate indexing methods or keys;

(c) Compare the application transmittal record with the documents accompanying it, and, if all applications shown upon the record are accompanying the record, endorse the bureau's copy of the transmittal record and the acknowledgment copy, and forward the acknowledgment copy to the clerk who issued it.

(3) In the event there is a discrepancy between the application transmittal record and the applications attached to it, the bureau of vehicle regulation shall note the discrepancy upon the bureau's copy and the acknowledgment copy, and shall promptly contact the issuing clerk and resolve the discrepancy. After resolving the discrepancy, the bureau shall note the nature of the disposition of the discrepancy and endorse the respective copies and forward the acknowledgment copy with the discrepancy disposition noted thereon to the issuing clerk.

(4) After executing the acknowledgment of receipt of applications, the bureau of vehicle regulation shall carry out the following action with respect to each application:

(a) Examine the owner's application for legibility and proper execution, presence of required information, including required supporting documents, and the presence of required signatures. The bureau of vehicle regulation shall ensure also that the required supporting documents are consistent in pertinent part with the information shown on the owner's application;

(b) The documents supporting an owner's application shall be examined as to authenticity and to determine if fraudulent alteration has occurred;

(c) Assure that the vehicle identification number of the subject vehicle is apparently legitimate;

(d) Ensure that the vehicle identification number and any other appropriate information with respect to a vehicle for which a certificate of title has been applied for is compared against the national crime information center (NCIC) computerized listings of vehicles reported stolen, unless NCIC is not operational and the bureau has official notification that it is not expected to be operational within four (4) working days following the day on which an application for a certificate of title is received by it;

(e) Compare the computer produced certificate of title for consistency with the owner's application and supporting documents.

(5) When the title application examination has been completed, and the application examiner at each significant stage has indicated, by placing his unique symbol upon the application in the space provided thereon, that an application has passed the required examinations, the application shall be examined by a title examination certifier.

(6) The title application certifier shall ensure that each application has received the required examinations as indicated by the presence of each required examiner's symbol. Upon satisfying himself that an application has passed the required examinations, the title examination certifier shall place his unique symbol together with the date upon the application.

(7) The bureau of vehicle regulation shall withhold issuance of a title, until its questions are resolved to its satisfaction, when it finds material discrepancies or has information giving probable cause to believe:

(a) That an applicant is not the lawful owner of a vehicle for which he seeks a title;

(b) His application is not in order;

(c) The documentation supporting an application is insufficient or fraudulent;

(d) The vehicle has an illegitimate vehicle identification number;

(e) The vehicle is stolen; or

(f) That the computer produced certificate of title is not consistent with the owner's application.

(8) When the bureau of vehicle regulation finds that a certificate of title should be issued for a vehicle, the endorsement of the commissioner of the bureau of vehicle regulation shall be engrossed upon the certificate of title following a pre-printed statement which shall read: I certify that the bureau of vehicle regulation has exercised due diligence in examining an application for a certificate of title for the above-described vehicle, and to the best of our knowledge and belief, the applicant whose name appears above is the lawful owner of the apparently legitimate vehicle described herein. *(signature)* , commissioner, bureau of vehicle regulation, Kentucky department of transportation.

SECTION 32. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Each certificate of title issued by the bureau of vehicle regulation shall contain:

(1) The date of its issue;

(2) The name, social security account number or employer identification number, and current mailing address of the owner, to include zip code;

(3) The names and address of any lienholders, not exceeding two (2);

(4) The title number;

(5) A description of the vehicle including the following data: year, make, model name, model number, vehicle identification number, type of body, number of cylinders, color or colors not exceeding one upper and one lower color, if the vehicle is a truck, its gross weight;

(6) If last titled in another state, the name of the state and the title number;

(7) Forms for assignment and warranty of title by the owner, and for assignments and warranty of title by dealers;

(8) Any other information the department requires;

(9) A certificate of title issued by the department is prima facie evidence of the facts appearing on it.

SECTION 33. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

An owner who has obtained a certificate of title pursuant to this chapter may apply for and obtain an updated certificate, but shall not be required to periodically renew a certificate of title that has been issued to him.

SECTION 34. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation shall:

(1) Be the custodian of the original of each application for a certificate of title, and its supporting documents. It shall retain such records in accordance with a records retention and destruction schedule established pursuant to the archives and records statutes of this state.

(2) Furnish on a periodic basis not less than quarterly to other states, either the original, or a copy, or listings of all certificates of title received from them, to include title and document control numbers in addition to the vehicle description and owner information.

(3) Maintain active liaison with other states regarding vehicle titling and its auto-theft implications, and obtain from them on a regular basis, listings of documents reported missing or stolen or counterfeit.

SECTION 35. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Financing statements relating to vehicles required to be registered in Kentucky through the county clerk shall be filed in the office of the county clerk of the county in which the debtor resides or, if the debtor is a non-resident, in the office of the county clerk in which the vehicle is principally operated.

(2) Before ownership of a vehicle subject to a lien evidenced by a financing statement executed pursuant to KRS Chapter 355 may be transferred, the transferror shall obtain the release of the prior liens in his name against the vehicle being transferred.

(3) No more than two (2) active financing statements as provided by KRS Chapter 355 may be recorded upon a certificate of registration or a certificate of title.

(4) In recording the filing of a financing statement upon a certificate of registration and, when required, a certificate of title, the county clerk shall ensure that the certificate of title and registration bear the lienholder's name, mailing address and zip code, the date the lien was filed, its file number and the county in which the financing statement is on file.

SECTION 36. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

With respect to a vehicle of a year model prior to 1983, if a financing statement and the required fees accompany the application for first registration of a vehicle in the name of an owner, the county clerk shall enter the information required by Section 35(4) of this Act above into the automated system so as to produce a certificate of registration bearing in addition to any other required information, the information designated by Section 35(4) of this Act and shall immediately mail or give the certificate of registration to the owner.

SECTION 37. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) With respect to a vehicle of a year model prior to 1983, previously registered in the name of its debtor, the secured party shall, within ten (10) days after execution of the security agreement, obtain the current certificate of registration in the name of the debtor, with no more than one prior lien indicated thereon, and present it together with the financing statement and the required fees to the county clerk.

(2) The county clerk, utilizing the automated system, shall immediately produce a new certificate of registration bearing all information shown upon the surrendered certificate, and any other information required by the bureau of vehicle regulation, in addition to the information required by Section 35(4) of this Act above, and promptly deliver or mail postpaid, the new certificate of registration to the owner.

(3) The county clerk shall indelibly mark the surrendered certificate of registration using a device specified by the bureau of vehicle regulation containing the county name and the words "cancelled lien filed" and shall print or type the chattel number and date and his initials upon the cancelled certificate, which shall be filed with the clerk's numerical copies of the surrendered and current certificates of registration, except as provided in subsection (4) of this section.

(4) If the cancelled surrendered certificate of registration was originally issued in a county other than the one in which the financing statement is filed, the county clerk who cancels a certificate of registration upon issuing a new certificate of registration, shall immediately mail the cancelled certificate, or other form of notice required by the bureau of vehicle regulation, with the new lien information shown thereon, to the clerk of the county in which that certificate of registration was originally issued.

(5) Upon receipt of the cancelled certificate of registration or notice with the new lien information shown thereon, the receiving clerk shall note the security interest on his copy of the certificate and attach the cancelled original certificate with the lien information shown thereon, to the face of his copy thereof in his alpha/numeric file.

SECTION 38. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

If a lien is to be filed with respect to a vehicle which is required to have a certificate of title, the county clerk shall:

(1) If the vehicle has not been last previously registered in this state, and a financing statement and the required fees accompany an owner's application for a first certificate of registration and a certificate of title, the county clerk shall enter into the automated system, all information required to produce a certificate of registration and a certificate of title and, in addition, all lien information required as provided in Section 35(4) of this Act. The clerk shall thereby produce, in accordance with the design of the automated system, a certificate of registration and a certificate of title, both of which shall be imprinted with the lien information required in Section 35(4) of this Act. The application shall be processed and the title mailed to the owner pursuant to the provisions of this Act.

(2) (a) If the vehicle was last previously registered in this state and its title was withheld pending receipt of lien data, the owner or his agent shall surrender to the county clerk the current certificate of registration together with the financing statement and required fees. The clerk shall examine the certificate of registration, and determine from it, whether, at the time of initial registration of the vehicle, the automated system was instructed to withhold production of a certificate of title pending receipt of lien data. If such instruction was given the system, indication of it will, in accordance with the system design, be imprinted within the lien data section of the certificate in the words "title held for lien data," or similar indication.

(b) If the certificate of registration indicates that the certificate of title for the vehicle was withheld, the county clerk shall, using the automated system, recall the record of the vehicle as contained within the system, and verify the data appearing on his terminal, with that on the certificate of registration surrendered to him. If the data appearing on the terminal is consistent with the data on the certificate of registration surrendered to him, and the financing statement is in order, the clerk shall enter the lien data as required by Section 35(4) of this Act and any other required information, thereby causing a new certificate of registration, and a certificate of title to be produced, both bearing the required lien information.

(c) The clerk shall visually verify that the new certificate of registration bears the required lien information before issuing the new certificate to the owner.

(d) The clerk shall indelibly mark the surrendered certificate of registration using a device containing the county name and the words "cancelled — lien filed," and enter the chattel number and date and his initials upon such cancelled certificate.

(e) If the surrendered certificate of registration which has been cancelled was originally issued in another county, the county clerk shall forward the cancelled certificate to the county of origin, or otherwise give notice of the lien filing, in the manner directed by the department of transportation.

(3) (a) If the vehicle against which a financing statement is sought to be filed was last previously registered in this state and a title was not withheld at the time of initial registration, the county clerk shall require the surrender of the current certificate of registration, and if a title was issued for the vehicle, the certificate of title, together with the financing statement and required fees.

(b) If a certificate of title was issued for the vehicle against which a financing statement is sought to be filed, the certificate will, in accordance with the design of the automated system and the data entered into such system by the county clerk, indicate that a title was ordered issued, and therefor is outstanding.

(c) The county clerk shall indelibly cancel the surrendered certificate of registration and the certificate of title, in the manner described in Section 37(3) of this Act and after assigning a chattel number to the financing statement, enter the lien information required by Section 35(4) of this Act into the automated system. Such action shall result in the production of a new certificate of registration, and a new certificate of title, both bearing the same required lien data. The clerk shall issue or mail postpaid to the owner, such new certificate of registration.

(d) The county clerk shall file or handle the cancelled certificate of registration in the manner directed by the bureau of vehicle regulation. The cancelled certificate of title shall be promptly forwarded, together with a transmittal form similar to that used in transmitting original applications, postpaid to the bureau of vehicle regulation.

(e) The bureau of vehicle regulation shall, upon receiving a certificate of title cancelled for lien data, process the cancelled certificate under the same procedures as applied to original applications for certificates of title, and, unless discrepancies are present, forward a new certificate of title, showing lien data thereon, to the owner.

SECTION 39. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Whenever a security interest is assigned as provided by KRS 186.045(4), the county clerk of a county that is operating under automated procedures shall, in addition to carrying out the requirements of him as stated therein, enter the record of lien assignment into the automated system in the manner directed by the bureau of vehicle regulation.

SECTION 40. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Whenever a security interest to a vehicle has been discharged as provided by KRS 186.045(5), the county clerk of a county that is operating under automated procedures shall, upon receiving a termination statement, promptly enter the record of termination into the automated system in the manner directed by the bureau of vehicle regulation, and take such other action with respect to a termination as is directed by the bureau of vehicle regulation.

SECTION 41. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) If an owner transfers his interest in a vehicle, he shall, at the time of the delivery of the vehicle, execute an assignment and warranty of title to the transferee in the space provided therefor on the certificate of title, and execute the applicable portions of the vehicle transaction record provided for by this chapter, and cause the vehicle transaction record with the certificate of title attached to be delivered to the transferree.

(2) The transferree shall, promptly after delivery to him of the vehicle, execute the application for a new certificate of title and registration, or certificate of registration, and when required, certificate of title, by executing the applicable portions of the vehicle transaction record provided to him by his transferor.

(3) The vehicle transaction record with its supporting documentation attached shall promptly be surrendered to the county clerk as provided in Section 21 of this Act, together with the required fees.

SECTION 42. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) With respect to vehicles of a year model 1983 or any year thereafter, when any motor vehicle dealer licensed in this state buys or accepts such a vehicle in trade, which has been previously registered or titled for use, whether in this or another state, and which he holds for resale, he shall not be required to obtain a certificate of title for it, but shall, within ten (10) days after acquiring such vehicle, obtain the registration of it in his name.

(2) Upon purchasing such a vehicle or accepting it in trade, the dealer shall obtain from his transferor, a properly executed vehicle transaction record, to include the odometer disclosure statement thereon, together with a properly assigned certificate of registration and a properly assigned certificate of title, unless the vehicle is from another state and is not accompanied by a certificate of registration.

(3) The dealer shall execute his application for registration upon the vehicle transaction record provided by his transferor, and shall surrender both the transaction record containing his application, together with the properly assigned certificate of registration or other document designated by the bureau of vehicle regulation, to the county clerk of the county in which he maintains his principal place of business. Such clerk shall issue to him as produced through the automated system, a certificate of registration in the name of his dealership.

(4) The dealer shall retain the properly assigned certificate of title received from his transferor, and may make any reassignments thereon until the forms for dealer assignment on both the certificate of title and the certificate of registration issued in his name are exhausted. The bureau of vehicle regulation may, if it deems it warranted, after consultation with the bureau of state police, provide a special document to allow for additional dealer assignments without requiring system generated documents.

(5) When he assigns the vehicle to a purchaser for use, he shall deliver the properly assigned certificate of registration in his name, together with the properly assigned certificate of title, and a properly executed vehicle transaction record, to such purchaser, who shall make application for registration and a certificate of title thereon.

(6) The bureau of vehicle regulation shall assure that the automated system is capable of accepting instructions from the county clerk that a certificate of title shall not be produced under a dealer registration situation.

SECTION 43. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation shall establish appropriate forms and procedures to be utilized in connection with the transfer of a motor vehicle or trailer by operation of law.

SECTION 44. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Nothing in this chapter shall be construed as requiring that a trade-in vehicle received by a motor vehicle dealer licensed in this state must be registered in the dealer's name substantially simultaneously with the registration and titling of the vehicle toward which the trade-in vehicle was received.

SECTION 45. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Whenever any person after making application for or obtaining a certificate of registration for a vehicle, and when required a certificate of title, shall move from the address named in the application or shown upon a registration card or certificate of title, such person shall within ten (10) days thereafter notify the bureau of vehicle regulation in writing of his old and new addresses.

(2) Whenever the name of any person who has made application for or obtained a certificate of registration and, when required, a certificate of title for a vehicle is thereafter changed by marriage or otherwise such person shall within ten (10) days notify the bureau of vehicle regulation of such former and new name.

SECTION 46. A NEW SECTION KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) When any certificate of registration or certificate of title has been issued in error to a person not entitled to the certificate, or contains incorrect information or information has been omitted from the certificates, the bureau of vehicle regulation shall notify in writing the person to whom the certificates have been issued or delivered and such person shall immediately return such certificate within forty eight (48) hours, together with any other information necessary for the adjustment of the records related to it, to the county clerk of the county in which the title was originally applied for, or as otherwise directed by the bureau of vehicle regulation.

(2) Upon receipt of the certificates and information requested, the county clerk and the bureau of vehicle regulation shall coordinate the production of a corrected certificate of registration and certificate of title, and the cancellation of the erroneous documents by the bureau of vehicle regulation, and ensure that corrected documents are sent to the appropriate party.

(3) Production of corrected documents shall be carried out under procedures similar to those applicable to production of an original certificate of title. The bureau of vehicle regulation shall supply to the county clerk such forms as may be needed to assure documentation of corrective action in accordance with this section.

SECTION 47. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) If a certificate of title is lost, stolen, mutilated or destroyed or becomes illegible, the owner or legal representative of the owner named in the certificate, shall promptly make application to the county clerk for and may obtain a duplicate, upon furnishing information satisfactory to the bureau of vehicle regulation. The duplicate certificate of title shall contain appropriate words or symbols to indicate that it is a duplicate. It shall be mailed to the owner.

(2) The bureau of vehicle regulation shall make provisions for production and issuance of a duplicate title where update of information thereon is requested. The provisions shall be generally consistent with the procedures for production and issuance of a certificate of title in the first instance as provided in this chapter.

(3) A person recovering an original certificate of title for which a duplicate has been issued shall promptly surrender the original certificate to the bureau of vehicle regulation.

(4) Applications for documents provided for by this section shall be made to the county clerk upon forms provided to him by the bureau of vehicle regulation.

SECTION 48. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The bureau of vehicle regulation shall suspend or revoke a certificate of title, after giving notice and providing a reasonable opportunity for the holder to be heard, when authorized by any other provision of law, or, if it finds:

(a) The certificate of title was fraudulently procured or erroneously issued, or

(b) The vehicle has been scrapped, dismantled or destroyed. Suspension or revocation of a certificate of titles does not, in itself, affect the validity of a security interest noted on it.

(2) When the bureau of vehicle regulation suspends or revokes a certificate of title, the owner or person in possession of it shall, immediately upon receiving notice of the suspension or revocation, mail or deliver the certificate to the bureau of vehicle regulation.

(3) The department shall promptly notify the bureau of state police of the suspension or revocation of any certificate of title.

(4) Any peace officer shall seize and impound any certificate of title which has been suspended or revoked except when such document is in the custody of the bureau of vehicle regulation or the bureau of state police.

SECTION 49. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation shall promptly notify the bureau of state police of the particulars of:

(1) Any attempted or actual registration or titling in this state of a stolen motor vehicle, or trailer, or motor vehicle or trailer whose true identity is in doubt, of which it becomes aware;

(2) Counterfeit, stolen or altered ownership document it receives; and

(3) Attempts to supply, or supplying to it, of false or fraudulent information in any application for a certificate of registration, certificate of title or salvage certificate for a motor vehicle or trailer in this state.

SECTION 50. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person, including a county clerk and his employes shall wilfully utilize or tamper with a telecommunications terminal, or associated devices, linked to the automated vehicle registration and titling system and capable of entering data or electronic signals into, altering information stored within, or obtaining information or electronic signals from, the automated vehicle registration and titling system unless he has current authorization from the commissioner of the bureau of vehicle regulation to utilize the system;

(2) He has, previous to utilizing such terminal or associated devices in a given county, satisfactorily completed an orientation as given by the bureau of vehicle regulation concerning the forms, procedures, and use of the system, as certified by the county clerk or county clerk elect of the county in which his use of the system will take place; and

(3) He has been assigned, and has received, a unique personal identifying code or device from the bureau of vehicle regulation.

SECTION 51. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Each county clerk, or county clerk elect, shall, before utilizing or permitting his employes to utilize the automated vehicle registration and titling system, ensure that he and his employes have satisfactorily completed an orientation course regarding the forms, procedures and use of the system conducted by the department of transportation.

(2) The county clerk, or county clerk elect, shall certify to the commissioner of the bureau of vehicle regulation, those of his employes or prospective employes, who, together with himself, having satisfactorily completed the required orientation, will utilize the automated system under his direction.

(3) His certification shall be made by printing or typing upon a form supplied by the bureau of vehicle regulation, the name of his county, and as to himself and each of his employes who will utilize the system, their last name, first name, and where available middle initial, their birth date, social security account number, and the date and place the orientation given by the bureau of vehicle regulation was completed, as to each person shown upon the certificate. The county clerk shall sign and date the certificate following a preprinted statement that shall read: I certify under penalty of perjury that the persons whose names appear above have satisfactorily completed an orientation on use of the automated vehicle registration and titling system as provided by this chapter and that the information supplied is true and correct to the best of my knowledge and belief. I will not wilfully permit anyone other than those persons shown hereon, or on another certificate of this same type executed by me, and persons authorized in writing by the bureau of vehicle regulation, to use telecommunications terminals linked to the automated system and under my control.

(4) Each county clerk shall promptly notify the bureau of vehicle regulation on a form supplied by it, of the name of any employe whose authorization to utilize the automated system has been terminated by him or whose employment by such clerk has ceased.

(5) Every county clerk and each of his employes who is authorized to utilize the automated system shall promptly report to the bureau of vehicle regulation any attempted, actual, or suspected misuse of the automated system of which they become aware.

SECTION 52. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Upon receiving notice that a person who has previously been authorized to utilize the automated system has wilfully or negligently misused the automated vehicle registration and titling system, the commissioner of the bureau of vehicle regulation may temporarily suspend such person's authorization to utilize the system.

(2) Whenever he suspends or revokes any person's authorization to utilize the automated vehicle registration and titling system, the commissioner of the bureau of vehicle regulation shall give immediate notice of such revocation to the person whose authorization has been suspended or revoked and if such person is not the county clerk, then notice shall be given also to the county clerk of the county in which the person is employed.

(3) No person whose authorization to utilize the automated system has been suspended or revoked shall utilize such system following notice of such action until his authorization to utilize the system is restored by the commissioner of the bureau of vehicle regulation.

SECTION 53. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No county clerk or other person who is authorized to utilize the automated vehicle registration and titling system, shall knowingly and wilfully enter into such system, information enabling the system to produce a certificate of title and registration, certificate of registration, or certificate of title, or enter the record of a lien or its release, unless he has in his official custody at the time he enters such information into the system, an application which he believes to be bona fide and in proper form, or if the information entry involves a lien, a proper financing or termination statement, which is consistent with the information he enters.

SECTION 54. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No county clerk or other person shall knowingly and wilfully enter any information or record into a telecommunications terminal or other device connected to the automated vehicle registration and titling system, knowing that the information or record entered into such device is false, fraudulent, illegitimate, or contains erroneous information that:

(1) Creates, or enables the system to create, a certificate of title and registration, certificate of registration, or certificate of title, that is illegitimate or that contains information that is false, fraudulent or erroneous; or

(2) Results in the system storing information or a record that is false, fraudulent or contains erroneous information; or

(3) Fraudulently, illegitimately, or maliciously alters information or records stored within the system.

SECTION 55. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall, without prior specific written approval of the commissioner of the bureau of vehicle regulation and the commissioner of the bureau of computer services, connect with the automated vehicle registration and titling system, directly or indirectly, by wire, electronic, electromagnetic induction, systemic, or any other means, any device, system or apparatus capable of putting information or electronic signals into, or receiving information or electronic signals from, or blocking, diverting, or altering transmission of data or signals within, the automated vehicle registration and titling system, its components, and its communications network.

(2) This section does not apply to or prohibit connection of devices or systems to the automated vehicle registration and titling system by persons who are acting in accordance with a contract or agreement with the Commonwealth of Kentucky, which in addition to any other required approval, has been approved in writing by the commissioner of the bureau of vehicle regulation and the commissioner of the bureau of computer services.

SECTION 56. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) A system operation policy committee shall be established by the bureau of vehicle regulation for the purpose of ensuring that there is an appropriate body charged with advising the commissioner of the bureau of vehicle regulation regarding operation of the automated vehicle registration and titling system.

(2) The committee shall be chaired by a person designated by the commissioner of the bureau of vehicle regulation. Its membership shall be composed of persons designated by the respective agencies as indicated: The departments of transportation and the county clerk's association, two representatives each. The departments of revenue and insurance, one representative. The bureau of computer services and the bureau of state police, one representative each.

(3) Staff support for the committee shall be provided by the bureau of vehicle regulation. The department may reimburse in accordance with state travel regulations, the travel expenses of members in connection with their attendance at meetings of the committee. Meetings of the committee shall be held quarterly and at such other times as the commissioner of the bureau of vehicle regulation may request. The committee shall issue quarterly reports to apprise county clerks and other concerned persons of matters affecting overall system operation, system misuse and error rates, and the recommended action to prevent or reduce the incidence of system misuse and errors.

SECTION 57. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Regardless of other provisions of the statutes, the county clerk may omit sending duplicates of each certificate of title and registration, or certificate of registration he issues, to the departments of transportation and revenue, and the property valuation administrator, and may omit the production and filing of one of the copies formerly known as either the county clerk's alpha or his numeric copy, when it is determined by the agencies indicated that their need for "duplicates" of each certificate or "receipt" is obviated by the automated system.

(2) The bureau of vehicle regulation and the department of revenue shall, as agreed between them, provide appropriate system support or computerized listings on magnetic tape or disc, printouts, or system access, to fulfill the information needs formerly requiring duplicates of each certificate or receipt.

SECTION 58. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Beginning with 1983 year model vehicles, for the current year, as determined each year, and the preceding four years,

(a) Any person or entity having a motor vehicle or trailer that has been destroyed, to the extent that its repair cannot be obtained through usual commercial repair services, at a cost less than its retail value as established from a value manual approved by the Department of Revenue, or from which two (2) or more parts which typically bear a vehicle identification number placed thereon by the manufacturer have been removed, or which he removes, shall surrender the certificate of title for such vehicle for which he has a certificate of title in his or another name, to the county clerk of the county in which such vehicle is located.

(b) Any person or entity engaged in the sale of used motor vehicle or trailer parts, or the recycling or salvage of them, shall surrender the certificate of title for any vehicle in his possession, and for which he has a certificate of title, whether in his or another name, if such vehicle is destroyed within the meaning of subsection (a) of this section, or from which two (2) or more parts which typically bear a vehicle identification number placed thereon by a manufacturer have been removed, or which he removes, to the county clerk of the county in which such vehicle is located.

(c) The surrender of the certificate of title pursuant to this section shall be made within ten (10) working days, next succeeding the day when such vehicle was received, destroyed, or next succeeding the day during which such second part was removed.

(2) Each county clerk shall receive without charge, a certificate surrendered in accordance with Section 57 of this Act, cancel it, and remit it to the bureau of vehicle regulation, and take any other action related to it, as required by the bureau of vehicle regulation.

SECTION 59. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The owner of a truck regularly operated in this state which is permanently or semi-permanently equipped with a winch, hydraulic, or other lifting device intended to raise one end of a vehicle so that it may be towed, shall before operating it as a tow truck or wrecker:

(1) Have the true name, address, and telephone number, including telephone area code, of its owner, or operator, if it is usually operated in the name of a firm or person other than its owner, permanently and legibly displayed upon each front door of its cab.

(2) The name and address shall be displayed in letters and numbers individually not less than three (3) inches high, and shall be of a color contrasting with the background on which they are displayed.

SECTION 60. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Any person who rents or leases a vehicle to another in this state, or for use in this state, shall:

(1) Maintain a record, beginning on the day on which a renter or lessee takes possession of such vehicle, and ending three (3) years following the date on which the vehicle is returned, which contains with respect to each vehicle rented or leased:

(a) Its year model, make, model name, vehicle identification number, license plate number; and

(b) The renter or lessee's full name, date of birth, social security account number or employer identification number, driver's license number, mailing address and telephone number including telephone area code; and

(c) The starting and ending dates of the renter or lessee's possession of the vehicle.

(2) Any person who has rented or leased a vehicle to another, or the agent of such person, shall make such information available promptly upon the request of a law enforcement officer who presents his official identification during normal business hours, or at other times, if an emergency exists and he is advised of such fact, and given a name, license number, vehicle identification number, or other reasonable information to enable a search of records.

SECTION 61. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person, except as provided in subsection (3) of this section shall have in his possession any blank, uncompleted, or partially executed "certificate of title and registration," "certificate of registration," "certificate of title," or other similarly styled form or document, whether genuine or counterfeit, of this or any other state or country, which is of a type that, when genuine and properly issued, evidences ownership of a vehicle under the laws of this or another state or country, and surrender of which is required in order to sell, transfer, register or title a motor vehicle or trailer in this state.

(2) A person who possesses forms or documents of the type described in subsection (1) of this section, is not in violation of this section if he:

(a) Is an employe of a manufacturer or printer of such forms or documents and possesses such forms or documents in the normal course of the business of design or manufacture of them in connection with bid invitation, bid, or contract with a governmental agency related to supplying such forms for governmental use.

(b) Is an employe of a shipper, or agency, under whose direction such forms are being shipped or delivered to a state or local agency charged with receiving, distributing or issuing such forms or documents, when they are in a container sealed under governmental direction.

(c) Is an employe of a state agency who possesses such forms or documents in the course of carrying out his official duties when his duties are to handle such forms or documents.

(d) Is a county clerk, or employe of a county clerk whose official work duties require the handling of such forms or documents, and he possesses them within the confines of the county clerk's office or official storage space or immediately incidental to placing them in such places.

(e) Possesses such form or document and it is prominently and indelibly marked on its face either: specimen, or void, or sample.

SECTION 62. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall intentionally remove, deface, cover, destroy, alter, or obscure any vehicle identification number, or other distinguishing number, of a motor vehicle or trailer or any part thereof in this state, without written authorization from the bureau of state police, nor shall any person place or stamp, in place of the original manufacturer's serial, motor, or other number or mark upon a vehicle, any number except one assigned thereto by the bureau of state police or authorized agency of another state.

(2) This section does not prohibit the restoration by an owner of the original vehicle identification number when the restoration is authorized by the bureau of state police, nor prevent any manufacturer from placing in the ordinary course of business numbers or marks upon new motor vehicles or new parts thereof.

SECTION 63. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall knowingly buy, sell, offer for sale, receive, or have in his possession, any motor vehicle or trailer or component part thereof, from which the original manufacturer's vehicle identification number, or serial number, has been removed, defaced, altered, obscured or destroyed, unless such vehicle or component part has attached thereto an identification number assigned or approved by the bureau of state police or authorized agency of another state in lieu of the manufacturer's number.

(2) Whenever such vehicle or component part comes into the custody of a peace officer it shall be forfeited under the procedure established in KRS 500.090. Nothing in this section shall, however, preclude the return of such vehicle or parts to the lawful owner thereof following presentation of satisfactory evidence of ownership and assignment of an identification number by the bureau of state police.

SECTION 64. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall have in his possession a manufacturer's vehicle identification number plate unless it is attached to the vehicle, or vehicle part, to which it was originally affixed by the manufacturer, nor shall any person have any facsimile of such a plate.

(2) This section shall not prohibit possession of legitimate plates by persons:

(a) Whose possession is incident to a contract to supply them to a manufacturer of new motor vehicles, or when such plates are in the possession of a manufacturer of new vehicles, or such manufacturer's employe, who possesses them within the scope of his work, when his work involves the manufacture or storage of such plates, for legitimate placement upon newly manufactured vehicles, legitimate affixing of such plates upon newly manufactured vehicles, or legitimate affixing of a replacement plate.

(b) Who possess such plate immediately incident to transferring it from being legitimately attached to a wrecked part or portion of a vehicle to a replacement part or portion for installation on, or installed on, the same vehicle or which the plate was originally placed by the manufacturer, when such possession and transfer is authorized in writing by the bureau of state police.

(c) Who are authorized in writing, by the supervisor of the bureau of state police auto theft section, to possess such plates.

SECTION 65. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) When any peace officer has probable cause to believe that a motor vehicle or trailer, or any component part of such vehicle is stolen, he shall impound such vehicle or part and notify its lawful owner, and when applicable, the agency to which the theft was reported, of the recovery of such vehicle or part and where it may be claimed.

(2) A vehicle or component part thereof which has been impounded pursuant to this section shall be released to its lawful owner when such owner presents satisfactory evidence of his ownership.

(3) A vehicle or component part thereof that has been impounded under this section, and which has not been claimed within ninety (90) days following notice of recovery to the owner, or if the owner cannot

be located after a reasonable effort, within ninety (90) days following impoundment, is forfeited and shall be disposed of in accordance with KRS 500.090.

SECTION 66. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Any person who has in his possession or control two (2) or more motor vehicles or trailers or their parts:

(a) That are stolen; or

(b) Have had their identity obscured, removed or altered; or

(c) Have stolen parts on them; or

(d) Are comprised of any combination of the above;

Shall be deemed to be trafficking in stolen vehicles or stolen vehicle parts.

(2) Trafficking in stolen vehicle or stolen vehicle parts is a Class C felony.

SECTION 67. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Upon the arrest of any person for violation of this Act the law enforcement officer shall cause the seizure of:

(a) All vehicles held in violation of this Act or of KRS Chapter 514; and

(b) All vehicles and other equipment used to transport property in violation of this Act or of. KRS Chapter 514; and

(c) All tools, equipment, and other materials, and all real and personal property used in furtherance of a violation of this Act or of KRS Chapter 514; and

(d) All money or other proceeds from the violation of this Act or of KRS Chapter 514.

(2) Upon the conviction of any person for violation of this Act or KRS Chapter 514 all items listed in subsection (1) shall be forfeited to the state and may be disposed of as provided in KRS Chapter 500.

SECTION 68. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Any person aggrieved by any administrative action pursuant to this chapter or regulations promulgated pursuant thereto, may appeal such action to a court of competent jurisdiction.

SECTION 69. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Any person who knowingly gives false, fraudulent, or erroneous information in connection with an application for the registration, and when required, titling of a vehicle, or any application for assignment of a vehicle identification number, or replacement documents, or gives such information in connection with his review of such applications, or falsely certifies the truthfulness and accuracy of information supplied in connection with the registration and when required, titling of a vehicle, shall be guilty of perjury in the second degree.

(2) Any person who violates Sections 50, 52, 54 or 55 of this Act shall be guilty of a Class C felony.

(3) Any person who violates Sections 72, 73, 74, 75, 77 or 78 of this Act shall be guilty of a Class D felony.

(4) Any person who operates a motor vehicle or trailer upon the highways of this state without a temporary tag when one is required, or with one that is expired, improperly executed, or displayed on a vehicle other than the one to which it was legitimately and lawfully issued, shall be guilty of a Class B misdemeanor.

(5) Any person who violates any provisions of this chapter, or regulations promulgated pursuant thereto, and for which a specific penalty is not prescribed by statute, shall be guilty of a Class A misdemeanor.

(6) Criminal remedies or sanctions provided in this chapter are in addition to, and not exclusive of, any other criminal remedies or sanctions provided elsewhere in the statutes.

SECTION 70. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS

Unless the context requires otherwise, terms used in this chapter shall be defined, where applicable, as provided by KRS 186.010.

Section 71. There is hereby appropriated from the general expenditure fund of the state treasury, to the department of transportation, for purposes of implementing this Act, $2,600,000 in fiscal year 1980-81 and $4,350,000 in fiscal year 1981-82.

The Committee Amendment No. 1 to **SB 236** is as follows:

Amend printed copy of **SB 236**, page 78, after "Section 71.", by deleting the remaining language on line 9, 10, 11, 12, and 13, and inserting in lieu thereof: "It is the intention of the General Assembly that from the effective date of this Act, until the 1982 regular session of the General Assembly,

(1) The departments of transportation, justice, revenue, insurance, and finance, together with the county clerks, auto dealers, recyclers, and lending institutions, in conjunction with the legislative program review and investigations committee shall consider the feasibility of implementation of the automated system provided for by this Act.

(2) The consideration provided for in subsection (1) of this section shall include consideration of the feasibility of implementing the automated system on a statewide basis.

(3) The legislative program review and investigations committee shall hold meetings, to which it invites representatives of the parties indicated in subsection (1) of this section, not less than quarterly, and prepare interim progress reports on implementation of the automated system provided for by this Act.

(4) The legislative program review and investigations committee shall gather data pertaining to the fiscal impact of the automated system and prepare a final report on implementation of the system in conjunction with the parties indicated in subsection (1) of this section, for submission to the 1982 regular session of the General Assembly."

and by inserting at the end of Section 71 the following:

"SECTION 72. The absence of a specific appropriation regarding this Act is not an expression of a desire to delay implementation of the automated system provided for by this Act nor to prevent the application of funds to it, but is a reflection of the difficult fiscal circumstances facing the Commonwealth at the time of this enactment, accordingly:

(1) The secretary of finance and the governor shall make a diligent effort to locate funds for use in expeditious implementation of the automated system provided for by this Act, giving appropriate consideration to proration of costs among the various state agency users of the system, and shall report their progress not less than quarterly to parties listed in Section 71(1) of this Act.

(2) Funds made available for implementation of the automated system provided for by this Act shall not be drawn from the road fund.

(3) The governor and the secretary of finance are empowered to, and shall, apply such funds as they determine to be available to the expeditious implementation of the automated system provided for by this Act."

The Committee Amendment No. 2 to **SB 236** is as follows:

Amend printed copy of **SB 236,** page 1, by amending the title to read as follows:

"AN ACT relating to motor vehicle and trailer registration, titling, taxation and theft."

The Committee on Appropriations and Revenue reported **SB 39,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee Amendment No. 1 to **SB 39** is as follows:

Amend printed copy of **SB 39,** page 2, line 6, by placing a bracket before the word "in";

line 8, by placing a bracket after "vices" but before the comma;

Page 3, line 11, by deleting "ninety-seven thousand dollars ($97,000)" and inserting in lieu thereof the following: "fifty thousand dollars ($50,000)";

and on line 12, by deleting "twenty-eight thousand dollars ($28,000)" and inserting in lieu thereof the following: "fifty thousand dollars ($50,000)".

The Committee on Banking and Insurance reported **HB 669** with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee on Business Organizations and Professions reported **HR 102** and **SB 348** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 102, A RESOLUTION requesting the Interim Joint Committee on Business Organizations and Professions to study the thoroughbred racing industry in Kentucky.

WHEREAS, the time honored sport of thoroughbred racing is an integral part of the economy and culture of the Commonwealth of Kentucky; and

WHEREAS, nearly $12 million per year in tax receipts are received by the state from pari-mutuel wagering on thoroughbred racing; and

WHEREAS, problems brought to the attention of the Interim Joint Committee on Business Organizations and Professions would appear to warrant a review and evaluation of the regulation of, and the economic condition of, this noblest of sports;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Interim Joint Committee on Business Organizations and Professions be requested to study the thoroughbred racing industry in Kentucky. Such study shall include but not be limited to:

(1) The size and composition of the State Racing Commission;

(2) Administration of the Kentucky thoroughbred development fund;

(3) Regulation and taxing of pari-mutuel wagering; and

(4) Administration by the State Racing Commission of the statutes regulating thoroughbred racing.

Section 2. That, based on the results of the study, the Interim Joint Committee on Business Organizations and Professions shall propose legislation to the 1982 General Assembly to address such problems as have been identified and to assure the continuing economic prosperity of the thoroughbred racing industry. The results of the study, along with any legislative proposals and recommendations, shall be made available to the members of the General Assembly not later than September 1, 1981.

Section 3. That staff services to be utilized in completing this study are estimated to cost $25,000. These staff services shall be provided from the regular Commission budget and are subject to the limitations and other research responsibilities of the Commission.

SB 348, AN ACT relating to professional service corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 274 IS CREATED TO READ AS FOLLOWS:

No proxy for shares of a professional service corporation shall be valid unless it shall be given to a qualified person. A voting trust with respect to shares of a professional corporation shall not be valid unless all the trustees and beneficiaries thereof are qualified persons, except that a voting trust may be validly continued for a period of ten (10) months after the death of a deceased beneficiary or for a period of five (5) months after a beneficiary has become a disqualified person.

SECTION 2. A NEW SECTION OF KRS CHAPTER 274 IS CREATED TO READ AS FOLLOWS:

(1) A foreign professional service corporation shall be entitled to procure a certificate of authority to transact business in this state only if:

(a) The name of the corporation meets the requirements of this chapter;

(b) The corporation is organized only for purposes for which a professional service corporation organized under this chapter may be organized; and

(c) All the shareholders, not less than one-half the directors, and all the officers other than the secretary and treasurer of the corporation are qualified persons with respect to the corporation.

(2) No foreign professional service corporation shall be required to obtain a certificate of authority to transact business in this state unless it shall maintain an office in this state for the conduct of business or professional practice.

SECTION 3. A NEW SECTION OF KRS CHAPTER 274 IS CREATED TO READ AS FOLLOWS:

The application of a foreign professional service corporation for a certificate of authority for the purpose of rendering professional services shall include a statement that all the individual shareholders, not less than one-half the directors, and all the officers other than the secretary and treasurer are licensed in one (1) or more states or territories of the United States or the District of Columbia to render a professional service described in the statement of purposes of the corporation.

SECTION 4. A NEW SECTION OF KRS CHAPTER 274 IS CREATED TO READ AS FOLLOWS:

The certificate of authority of a foreign professional service corporation may be revoked by the secretary of state if the corporation fails to comply with any provision of this Act applicable to it. No certificate or authority of a foreign professional service corporation shall be revoked by the secretary of state unless he shall have given the corporation not less than sixty (60) days' notice thereof and the corporation shall fail prior to revocation to correct such noncompliance.

SECTION 5. A NEW SECTION OF KRS CHAPTER 274 IS CREATED TO READ AS FOLLOWS:

(1) Not less than one-half (½) the directors of a professional service corporation and all the officers other than the secretary and the treasurer shall be qualified persons with respect to the corporation.

(2) Those members of the board of directors of a professional service corporation not qualified within the meaning of KRS 274.015 shall abstain from voting on measures before the board which deal exclusively with the art of the professional service or services rendered as opposed to measures relating to the general business operation of the corporation.

SECTION 6. A NEW SECTION OF KRS CHAPTER 274 IS CREATED TO READ AS FOLLOWS:

(1) A professional service corporation may issue and a shareholder thereof may transfer or pledge shares, fractional shares, and rights or options to purchase shares only to:

(a) Natural persons who are authorized by law in this state or in any other state or territory of the United States or the District of Columbia to render a professional service permitted by the articles of incorporation of the corporation;

(b) General partnerships in which all the partners are qualified persons with respect to such professional corporation and in which at least one (1) partner is authorized by law in this state to render a professional service permitted by the articles of incorporation of the corporation; and

(c) Professional service corporations, domestic or foreign, authorized by law in this state to render a professional service permitted by the articles of incorporation of the corporation.

(2) Any issuance or transfer of shares in violation of this section shall be void; however, nothing herein contained shall prohibit the transfer of shares of a professional corporation by operation of law or court decree.

SECTION 7. A NEW SECTION OF KRS CHAPTER 274 IS CREATED TO READ AS FOLLOWS:

The name of a domestic professional service corporation or of a foreign professional service corporation authorized to transact business in this state:

(1) Shall contain the words "professional service corporation" or the abbreviation "P.S.C."

(2) Shall not contain any word or phrase which indicates or implies that it is organized for any purpose other than the purposes contained in its articles of incorporation;

(3) Shall not be the same as, or deceptively similar to, the name of any domestic corporation existing under the laws of this state or any foreign corporation authorized to transact business in this state, or a name the exclusive right to which is, at the time, reserved in the manner provided in KRS Chapter 271A, or the name of a corporation which has in effect a registration of its corporate name as provided in KRS Chapter 271A, except that this provision shall not apply if:

(a) Such similarity results from the use in the corporate name of personal names of its shareholders or former shareholders or of natural persons who were associated with a predecessor entity; or

(b) The applicant files with the secretary of state either of the following: the written consent of such other corporation or holder of a reserved or registered name to use the same or deceptively similar name and one (1) or more words are added to make such name distinguishable from such other name; or a certified copy of a final decree of a court of competent jurisdiction establishing the prior right of the applicant to the use of such name in this state; and

(4) Shall otherwise conform to any rule promulgated by a licensing authority having jurisdiction of a professional service described in the articles of incorporation of such corporation.

SECTION 8. A NEW SECTION OF KRS CHAPTER 274 IS CREATED TO READ AS FOLLOWS:

(1) A professional service corporation may merge or consolidate with another corporation, domestic or foreign, only if every shareholder of each corporation is qualified to be a shareholder of the surviving or new corporation.

(2) Upon the merger or consolidation of a professional service corporation, if the surviving or new corporation, as the case may be, is to render professional services in this state, it shall comply with the provisions of this Act.

Section 9. KRS 274.005 is amended to read as follows:

As used in this chapter, unless the context indicates otherwise:

(1) "Professional service corporation" means a corporation organized under this chapter.

(2) *"Foreign professional service corporation" means a corporation for profit organized for the purpose of rendering professional services under a law other than the law of this state.*

(3) "Professional service" means any type of personal service to the public which requires as a condition precedent to the rendering of such service the obtaining of a license or other legal authorization and which, prior to the passage of this chapter and by reason of law or a professional code of ethics, could not be performed by a corporation. The personal services which come within the provisions of this chapter are the personal services rendered by, but not limited to, certified public accountants, public accountants, chiropractors, osteopaths, physicians and surgeons, doctors of medicine, doctors of dentistry, podiatrists, chiropodists, architects, veterinarians, optometrists and attorneys at law.

(4) "Qualified person" means a natural person, general partnership, or professional service corporation which is eligible under this chapter to own shares issued by a professional service corporation.

(5)[(3)] "Regulating board" means the governmental agency which is charged by law with the licensing and regulation of the practice of the profession which the professional service corporation is organized to render.

Section 10. KRS 274.015 is amended to read as follows:

(1) One or more individuals, each of whom is licensed to render the same professional service *or who are licensed to render related professional services such that applicable licensing laws and regulations would not prohibit the practice of such multiple professional services through a single business partnership,* may incorporate and form a professional service corporation by filing articles of incorporation in the office of the Secretary of State. Such articles of incorporation shall meet the requirements of KRS Chapter 271A, and in addition to the information required by KRS 271A.270, such articles shall contain the following:

(a) The designation of the profession *or professions* to be practiced through the professional service corporation.

(b) The names and residence addresses of all the original shareholders of the professional service corporation.

(c) A statement by the incorporator or incorporators that each of the incorporators, [directors, officers and] shareholders, *not less than one half (½) of the directors, and each of the officers other than secretary and treasurer is a qualified person within the meaning of this chapter* [is duly licensed to practice such profession].

(2) Any professional service corporation formed under the provisions of this chapter shall, except as this chapter may otherwise provide, have the same powers, authority, duties and liability as corporations formed under KRS Chapter 271A.

Section 11. KRS 274.055 is amended to read as follows:

(1) The provisions of this chapter shall not alter any law applicable to, or otherwise affect the fiducial, confidential or ethical relationship between a person rendering professional services and a person receiving such services. The corporation shall be jointly and severally liable, with the tortfeasor, to the full value of its assets for any negligent or wrongful acts or actionable misconduct committed by any of its officers, shareholders, agents or employes while they are engaged on behalf of the corporation in the rendering of professional service. Provided, however, That no shareholder, director, officer or employe of a professional service corporation shall be personally liable for the *negligence, wrongful acts, or actionable misconduct of any other shareholder, director, officer, agent or employe nor shall such shareholder, director, officer or employe be personally liable for the* contractual obligations of the corporation. Notwithstanding any contrary provisions of law, a corporation organized under this chapter may charge and collect fees for the professional services of its officers, directors, agents or employes, and may compensate those who render such professional services.

(2) Any foreign professional service corporation granted a certificate of authority to conduct business within this state shall be subject to the liability levels imposed by this section.

Section 12. KRS 274.095 is amended to read as follows:

(1) The articles of incorporation may provide for the purchase or redemption of all of the shares of any shareholder within a period not to exceed one (1) year after the death or disqualification to practice the profession of such shareholder, or for the purchase or redemption within said time of all of the shares of any shareholder desiring to sell them, all of whom are herein sometimes called "withdrawing shareholders" or, in default of such provisions in the articles of incorporation, the foregoing provisions and time limitation may be included in the bylaws of a professional service corporation, or, if no such provision and time limitation is made in the articles of incorporation or bylaws, they may be provided for by such private agreement

or agreements as the stockholders and corporation may enter into. If such an article, bylaw or agreement is adopted or provided for and such stock is not redeemed by the corporation within said one (1) year period, then within ten (10) days following the end of said period the president and/or secretary of the corporation shall give notice thereof to the secretary of state of Kentucky and, upon receipt of such notice by the secretary of state, the charter of the corporation shall be immediately void.

(2) In the absence of such provisions in the articles of incorporation, bylaws or by private agreement, a professional service corporation shall redeem the shares of a withdrawing shareholder within ninety (90) days after the death or disqualification of a shareholder or of the receipt by the corporation of written notice from a shareholder that he desires to sell or transfer all his shares of stock in the corporation upon terms mutually agreeable to the parties. *Should a redemption not occur within the time limit provided herein, the shares shall immediately be cancelled on the books of the corporation and the holder of such shares shall be reimbursed as provided in subsection (4) of this section as a general creditor of the corporation.*

(3) If the sole shareholder of a professional service corporation organized pursuant to this chapter dies*:*

(a) It shall be the duty of his personal representative to so notify the secretary of state, whereupon the charter of such corporation shall lapse*; or*

(b) The administrator, executor, guardian, conservator, or receiver of the estate of the deceased sole shareholder may amend the articles of incorporation by signing a written consent to such amendment. Articles of amendment to be adopted shall set forth:

1. The name of the corporation;

2. The amendments so adopted;

3. The date of adoption of the amendment by the administrator, executor, guardian, conservator, or receiver;

4. The number of shares outstanding; and

5. The number of shares held by the administrator, executor, guardian, conservator, or receiver.

The amendment to the articles of incorporation may allow the corporation to continue as a professional service corporation or may convert the corporation to a private business corporation provided, however, that the corporation shall not render professional services until such time as all outstanding shares are held by qualified persons and the corporation conforms to the provisions of this chapter; or

(c) The administrator, executor, guardian, conservator, or receiver of the estate of the deceased shareholder shall transfer all outstanding shares of the corporation to other qualified persons or person within the meaning of this chapter. The professional service corporation shall cease to render professional services until such time as the transfer or transfers provided in this subsection are completed.

(4) In the absence of (a) an article, bylaw or agreement as provided for in subsection (1) of this section, or (b) a sale as provided for within the time stated in subsection (2) of this section, a professional service corporation, within one hundred eighty (180) days after the death or disqualification of a shareholder or within the same period after receiving written notice from a shareholder that he desires the corporation to redeem all of his stock in the corporation, shall institute an equitable action for a determination of the fair market value of all of the shares of the corporation's outstanding stock *cancelled pursuant to subsection (2) of this section and* owned by such shareholder.

(a) The court shall designate a time for a hearing and at said hearing shall appoint a disinterested appraiser to determine the fair market, *pre-cancellation* value of such shares. The court shall administer an oath to the appraiser to honestly and faithfully discharge his duties and shall fix a time and place for the appraiser to begin hearing evidence on such fair market value. The appraiser shall have the powers conferred upon master commissioners by subsection (2) of KRS 27.100 and shall afford a reasonable opportunity to the corporation and the shareholder or personal representative of a deceased shareholder to introduce pertinent evidence on such fair market value. The appraiser shall conduct his hearings as expeditiously as practicable, and upon completion of the hearing shall report in writing to the court his determination of the fair market *pre-cancellation* value of such shares and shall file with the court a written transcript of the testimony heard by him, together with all exhibits introduced in evidence.

(b) The corporation or any withdrawing shareholder may, within ten (10) days after the filing of the appraiser's report, file exceptions thereto. Such exceptions shall be heard and decided by the court upon the evidence submitted to the appraiser as shown by the transcript. After hearing the exceptions to the appraiser's report, or if no exceptions thereto have been filed within the time hereinbefore provided for, the court shall enter final judgment determining such fair market, *pre-cancellation* value of the shares of each withdrawing shareholder and shall direct payment thereof by the corporation to each withdrawing shareholder and the surrender of the duly indorsed certificate or certificates representing his shares. *The court shall be empowered to direct payment by the corporation in installments reasonably calculated to avoid any impending corporate insolvency while reimbursing the withdrawing shareholder in as direct a manner as may be practicable.*

(5) If a professional service corporation fails to bring the above provided for action for the redemption of its shares within the time provided, then within ten (10) days after the end of said period, the president

of the corporation, and if he be then dead, the secretary thereof, shall so notify, in writing, the secretary of state of Kentucky, and upon receipt of such notice by the secretary of state of Kentucky, the charter of the professional service corporation shall be void.

(6) If the obligation of the corporation to redeem any shares of its outstanding stock as set out in subsections (1) to (5) of this section would render the corporation insolvent *and the court has deemed an installment redemption as provided in subsection (4) of this section to be unwarranted*, then *without delay* [within ten (10) days of demand for such redemption] the corporation shall commence to liquidate and dissolve, unless the remaining shareholders shall have prior thereto purchased *or redeemed* all of the withdrawing shareholder's shares *or satisfied such shareholder's claim against the corporation.*

Section 13. KRS 274.105 is amended to read as follows:

In addition to the matter required to be included in annual reports by KRS Chapter 271A, there shall be included in the annual report of each *domestic or foreign* professional service corporation (a) the name and [residence] addresses of all shareholders of said professional service corporation, and (b) a certificate signed by the president of the corporation certifying that all of its shareholders, *not less than one half (½) of its directors and all officers other than secretary and treasurer*, are duly *qualified as provided in this chapter* [licensed to render the same professional services as those for which the corporation was incorporated]. A duplicate original copy of such annual report shall be filed with the regulating board which licenses the shareholders described in the certificate.

Section 14. KRS 274.115 is amended to read as follows:

No professional service corporation organized *or authorized to conduct business* under this chapter shall engage in any business other than the rendering of the professional service *or services* for which it was specifically incorporated; Provided, however, That nothing in this chapter or in any other provisions of existing law applicable to corporations shall be interpreted to prohibit such corporation from investing its funds in real estate, mortgages, stocks, bonds or any other type of investment, or from owning real or personal property necessary for the rendering of professional services. [No professional service corporation shall be organized to render more than one professional service.]

Section 15. The following sections of KRS are repealed:

274.025 Number of directors.
274.035 Requirement for participation.
274.075 Corporate name — Advertising ethics maintained.
274.085 Merger — Consolidation.

The Committee on Cities reported **SB 151, SB 338,** and **SB 347** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 151, AN ACT relating to cities of the third class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 95.510 is amended to read as follows:

(1) The chief and all members of the police force in cities of the third class shall be peace officers of the city and the state, with the same powers to make arrests, execute process and enforce the laws as constables and sheriffs.

(2) The chief of police and members of the police force shall be entitled to the same fees that are allowed by law to sheriffs and other officers for similar services, except that if the city legislative body provides, by ordinance, that the chief and members of the police force shall be paid a salary in lieu of fees, such fees shall be paid into the city treasury.

(3) Their jurisdiction shall be coextensive with the city, and extend one (1) mile beyond its limits.

SB 338, AN ACT relating to building codes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 198B.010 is amended to read as follows:

As used in this chapter, unless otherwise provided:

(1) "Assembly occupancy" means the occupancy or use of a building or structure or any portion thereof by a gathering of persons for civic, political, travel, religious, social or recreational purposes; including among others:

(a) Armories;
(b) Assembly halls;
(c) Auditoriums;
(d) Bowling alleys;
(e) Broadcasting studios;
(f) Chapels;
(g) Churches;
(h) Clubrooms;
(i) Community buildings;
(j) Courthouses;
(k) Dance halls;
(l) Exhibition rooms;
(m) Gymnasiums;
(n) Hotels;
(o) Lecture rooms;
(p) Lodge rooms;
(q) Motels;
(r) Motion picture theaters;
(s) Museums;
(t) Night clubs;
(u) Opera houses;
(v) Passenger stations;
(w) Pool rooms;
(x) Recreation areas;
(y) Restaurants;
(z) Skating rinks;
(aa) Television studios;
(bb) Theaters.

(2) "Attic" means the space between the ceiling beams of the top habitable story and the roof rafters.

(3) "Basement" means that portion of a building the average height of which is at least half below grade, which is ordinarily used for purposes such as storage, laundry facilities, household tool shops, and installation and operation of heating, cooling and ventilating facilities, but which is not ordinarily used for purposes of general household habitation.

(4) "Building" means any combination of materials, whether portable or fixed, which comprises a structure affording facilities or shelter for any human occupancy, whether infrequent or regular. The word "building" shall be construed wherever used herein as if followed by the words "or part or parts thereof and all equipment therein" unless the context clearly requires a different meaning. "Building" shall also mean swimming pools constructed below grade on site, but not swimming pools assembled above grade on site. "Building" shall not mean a mobile home, or a farm dwelling or other farm buildings and structures incident to the operation and maintenance of the farm if such farm structures are located outside the boundary of a municipality and are not used in the business of retail trade or used as a place of regular employment for ten (10) or more people or structures used in the storage or processing of timber products. This chapter shall not apply to any single family dwelling except those sold or constructed under a trade or brand name.

(5) Any city, county or urban county government of the Commonwealth may extend, by ordinance, the application of this chapter to those single family dwellings exempted under subsection (4) of this section, but may not enforce any building code other than the uniform state building code on such dwellings.

(6) Nothing in this chapter shall be construed to exempt single family dwellings from those provisions of the uniform state building code that relate to the national electric code, [and] the state plumbing code, *and thermal efficiency standards*.

(7) "Business occupancy" means the occupancy or use of a building or structure or any portion thereof for the transaction of business, the rendering or receiving of professional services, or the displaying, selling or buying of goods, wares, or merchandise, or the housing of vehicles of transportation, except where occupancy is of high hazard; including among others:

(a) Banks;
(b) Barber shops;
(c) Beauty parlors;
(d) Department stores;
(e) Garages;
(f) Markets;
(g) Service stations;
(h) Offices;

(i) Stores;
(j) Radio stations;
(k) Telephone exchanges;
(l) Television stations.

(8) "Commissioner" means the commissioner of housing, buildings and construction.

(9) "Construction" means the erection, fabrication, reconstruction, substantial alteration or conversion of a building, or the installation of equipment therein.

(10) "Department" means the department of housing, buildings and construction.

(11) "Educational occupancy" means the occupancy or use of a building or structure or any portion thereof by persons assembled for the purpose of learning or of receiving education instruction; including among others:
(a) Academies;
(b) Care centers;
(c) Colleges;
(d) Kindergartens;
(e) Libraries;
(f) Pre-schools;
(g) Relocatable classroom unit;
(h) Schools;
(i) Seminaries;
(j) Universities.

(12) "Equipment" means facilities or installations, including but not limited to, heating, electrical, ventilating, air conditioning, and refrigerating facilities or installations.

(13) "High hazard occupancy" means the occupancy or use of a building or structure or any portion thereof that involves highly combustible, high flammable or explosive materials or which has inherent characteristics that constitute a special fire hazard including among others:
(a) Aluminum powder factories;
(b) Charging or filling stations;
(c) Distilleries;
(d) Dry cleaning plants;
(e) Dry dyeing plants;
(f) Explosive-manufacture, sale or storage;
(g) Flour and feed mills;
(h) Gasoline bulk plants;
(i) Grain elevators;
(j) Lacquer factories;
(k) Liquefied petroleum gas;
(l) Mattress factories;
(m) Paint factories;
(n) Pyroxylin-factories, or warehouses;
(o) Rubber factories.

(14) "Industrial occupancy" means the occupancy or use of a building structure or any portion thereof for assembling, fabricating, finishing, manufacturing, packaging or processing operations, except for occupancies of high hazard; including among others:
(a) Assembly plants;
(b) Creameries;
(c) Electrical substations;
(d) Factories;
(e) Ice plants;
(f) Laboratories;
(g) Laundries;
(h) Manufacturing plants;
(i) Mills;
(j) Power plants;
(k) Processing plants;
(l) Pumping stations;
(m) Repair garages;
(n) Smokehouses;
(o) Workshops.

(15) "Industrialized building system" means any structure or component thereof which is wholly or in substantial part fabricated in an off-site manufacturing facility for installation or assembly on a permanent foundation [illegible] the building site.

(16) "Institutional occupancy" means the occupancy or use of a building or structure or any portion thereof by persons harbored or detained to receive medical, charitable or other care or treatment, or by persons involuntarily detained; including among others:

(a) Asylums;
(b) Homes for the aged;
(c) Hospitals;
(d) Houses of Corrections;
(e) Infirmaries;
(f) Jails;
(g) Nursing homes;
(h) Orphanages;
(i) Penal institutions;
(j) Reformatories;
(k) Sanitariums;
(l) Nurseries.

(17) "Mobile home" means mobile home as defined in KRS 227.550(1).

(18) "Story" means that part of a building comprised between a floor and the floor or roof next above which is not a basement or an attic.

SB 347, AN ACT relating to pension.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 67A.320 is amended to read as follows:

(1) Any urban-county government in which there existed a municipality which had in effect an employes' pension fund prior to its merger into the urban county form of government shall provide by comprehensive plan or ordinance for the maintenance of the said pension fund for those employes covered by the said pension fund by a levy of a tax of not exceeding five cents ($.05) on each one hundred dollars' value of taxable property in the urban area of the urban-county government, as established in the comprehensive plan or by ordinance, the proceeds of that tax to be paid to the pension fund in cash, and shall in each case provide, by such tax or otherwise, for the payment to the pension fund in each month of the sum necessary to maintain such fund in accordance with the actuarial principles established by the actuarial studies described hereafter, and may assess monthly such amount or percent of the salary of the employes as may be equitably determined on a fair actuarial basis, and in any case not in excess of *eight percent (8%)* [6%] of the monthly salary of each employe unless a higher rate was charged prior to the merger of governments, in which case the higher rate may be charged, the assessment to be deducted from the employes' salaries and paid in cash into the pension fund. Within six (6) months after the effective date of the urban county form of government, or within six (6) months after June 21, 1974, whichever shall be later, the trustees of the board shall, at the expense of the urban-county government, provide for the performance of an actuarial study, which study shall be completed within six (6) months thereafter, and which study shall describe the amounts necessary to be contributed by the urban-county government or other sources to fund on an actuarially sound basis the benefits promised or described in the said fund, including any payments required to bring said fund to an actuarially sound position in the event that it was not so at the time of the performance of the study, in which latter event the legislative body shall also determine a reasonable period over which such additional funding shall be made, which period shall not exceed thirty (30) years. A similar study shall be arranged by the board at the cost of the urban county government at least once in every five-year period thereafter. In the event that fund created by this section is extended to cover employes not described in the first sentence hereof, the actuarial study shall determine the required payments so as to keep the expanded fund on an actuarially sound basis, and the urban county-government shall maintain such fund as set out herein, and shall assess against the additional covered employes the same monthly contribution as is required for other government employes.

(2) There is hereby created a board for the existing employes pension fund and trustees of that board. Trustees from the pension fund board shall consist of the mayor, four (4) members of the legislative body of the urban-county government selected by the legislative body, the secretary of the executive department for finance and administration, the director of the division of personnel, and three (3) civil service employes to be elected to the board by those employes covered by the employes' pension fund. In the event that there is no position in the urban-county government denominated secretary of the executive department for finance and administration and/or director of the division of personnel, the appointed office of the urban-county government exercising the functions most closely resembling such office shall serve as trustee.

(3) Temporary employes appointed without examination shall not be compelled to contribute to any pension fund and shall not be eligible to benefits.

(4) In no year shall the contribution by the urban-county government to the pension fund, in the manner provided in this section, be less than the total amount assessed upon and deducted from the salary of the employes.

(5) The trustees of the pension fund shall, at least once every three (3) months, report in writing to the mayor the receipts, expenditures and financial status of the pension fund, stating the places of deposit of funds, or the character of investments made, and the mayor shall cause copies of the report to be posted in at least three (3) places where urban county employes frequent and report.

The Committee on Judiciary reported **SB 371** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 371, AN ACT relating to business organizations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 271A.040 is amended to read as follows:

(1) The corporate name:

(a) Shall contain the word "corporation," "company," "incorporated" or "limited," or shall contain an abbreviation of one of such words;

(b) Shall not contain any word or phrase which indicates or implies that it is organized for any purpose other than one or more of the purposes contained in its articles of incorporation;

(c) Shall not be the same as, or deceptively similar to, the name of any domestic corporation existing under the laws of this state or any foreign corporation authorized to transact business in this state, or a name the exclusive right to which is, at the time, reserved in the manner provided in this chapter, or the name of a corporation which has in effect a registration of its corporate name as provided in this chapter, *or the name of any foreign limited partnership authorized to do business in Kentucky or any assumed name registered with the secretary of state pursuant to KRS 365.015,* except that this provision shall not apply if the applicant files with the Secretary of State either of the following:

1. The written consent of such other corporation or holder of a reserved or registered name, *foreign limited partnership, or assumed name holder,* to use the same or deceptively similar name and one or more words are added to make such name distinguishable from such other name, or

2. A certified copy of the final decree of a court of competent jurisdiction establishing the prior right of the applicant to the use of such name in this state.

(2) A corporation with which another corporation, domestic or foreign, is merged, or which is formed by the reorganization or consolidation of one or more domestic or foreign corporations or upon a sale, lease or other disposition to or exchange with, a domestic corporation of all or substantially all the assets of another corporation, domestic or foreign, including its name, may have the same name as that used in this state by any of such corporations if such other corporation was organized under the laws of, or is authorized to transact business in, this state.

(3) The provisions of this section shall not affect the right of any corporation existing on June 30, 1972, to continue the use of its name.

Section 2. KRS 271A.295 is amended to read as follows:

(1) Amendments to the articles of incorporation shall be made in the following manner:

(a) The board of directors shall adopt a resolution setting forth the proposed amendment. *The resolution may incorporate the proposed amendment in restated articles of incorporation which contain a statement that except for the designated amendment the restated articles of incorporation correctly set forth without change the corresponding provisions of the articles of incorporation as theretofore amended, and that the restated articles of incorporation together with the designated amendment supersede the original articles of incorporation and all amendment thereto.* [and,] If shares have been issued, *the resolution may direct* [directing] that it be submitted to a vote at a meeting of shareholders, which may be either the annual or a special meeting. If no shares have been issued, the amendment shall be adopted by resolution of the board of directors and the provisions for adoption by shareholders shall not apply;

(b) Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each shareholder of record entitled to vote thereon within the time and in the manner provided in this chapter for the giving of notice of meetings of shareholders. If the meeting be an annual meeting, the proposed amendment of such summary may be included in the notice of such annual meeting;

(c) At such meeting a vote of the shareholders entitled to vote thereon shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving the affirmative vote of the holders of a majority of the shares entitled to vote thereon, unless any class of shares is entitled to vote thereon as a class, in which event the proposed amendment shall be adopted upon receiving the affirmative vote of the holders of a majority of the shares of each class of shares entitled to vote thereon as a class and of the total shares entitled to vote thereon.

(2) Any number of amendments may be submitted to the shareholders, and voted upon by them, at one (1) meeting.

Section 3. KRS 271A.530 is amended to read as follows:

No certificate of authority shall be issued to a foreign corporation unless the corporate name of such corporation:

(1) Shall contain the word "corporation," "company," "incorporated," or "limited," or shall contain an abbreviation of one of such words, or such corporation shall, for use in this state, add at the end of its name one of such words or an abbreviation thereof;

(2) Shall not contain any word or phrase which indicates or implies that it is organized for any purpose other than one or more of the purposes contained in its articles of incorporation or that it is authorized or empowered to conduct the business of banking or insurance;

(3) Shall not be the same as, or deceptively similar to, the name of any domestic corporation existing under the laws of this state or any foreign corporation authorized to transact business in this state, or a name the exclusive right to which is, at the time, reserved in the manner provided in this chapter, or the name of a corporation which has in effect a registration of its name as provided in this chapter, *or the name of any foreign limited partnership authorized to do business in Kentucky, or any assumed name registered with the secretary of state pursuant to KRS 365.015,* except that this provision shall not apply if the foreign corporation applying for a certificate of authority files with the Secretary of State any one of the following:

(a) A resolution of its board of directors adopting a fictitious name for use in transacting business in this state which fictitious name is not deceptively similar to the name of any domestic corporation or of any foreign corporation authorized to transact business in this state or to any name reserved or registered as provided in this chapter; or

(b) The written consent of such other corporation or holder of a reserved or registered name, *foreign limited partnership, or assumed name holder,* to use the same or deceptively similar name and one or more words are added to make such name distinguishable from such other name; or

(c) A certified copy of a final decree of a court of competent jurisdiction establishing the prior right to such foreign corporation to the use of such name in this state.

Section 4. KRS 271A.615 is amended to read as follows:

Each domestic corporation, and each foreign corporation authorized to transact business in this state, shall file, within the time prescribed by this chapter, an annual report setting forth:

(1) The name of the corporation and the state or country under the laws of which it is incorporated; and

(2) The address of the registered office of the corporation in this state, and the name of its registered agent in this state at such address, and, in case of a foreign corporation, the address of its principal office in the state or country under the laws of which it is incorporated.

(3) Whenever a *three* [five]-year period has elapsed or shall elapse during which period a domestic or foreign corporation has not filed with the Secretary of State either a statement verifying the correctness of the location and post office address of its registered office and the name of its agent for the service of process or the annual report required by this chapter, the Secretary of State shall mail to the corporation at its registered office a notice that if the required statements and/or reports are not filed within six months after the mailing of the notice, the certificate of incorporation will be revoked, if a domestic corporation, or withdrawn, if a foreign corporation. If the required statements and/or reports are not received within six months from the date on which the notice was mailed, the Secretary of State shall revoke or withdraw the certificate of incorporation as provided above and mail notice thereof to the corporation at its registered office.

(4) The secretary of state may reinstate the certificate of incorporation of any domestic corporation revoked as provided in subsection (3) of this section, provided that such revoked corporation shall have:

(a) Furnished such information to the satisfaction of the secretary of state that the failure of the corporation to file annual reports for three (3) consecutive years was not intentional, and that the corporation is, and has continually been, engaged in the ordinary course of its business;

(b) Paid to the secretary of state a penalty of one hundred dollars ($100);

(c) Filed with the secretary of state a certificate from the commissioner of revenue that the corporation has paid or furnished satisfactory security for the payment of all income and license taxes, and the interest and penalties thereon that the corporation owes to the state; and

(d) Filed all reports this chapter would have required between the date of incorporation and the date of reinstatement, which were not previously filed, and paid the fees thereon.

Section 5. KRS 273.177 is amended to read as follows:

(1) The corporate name must include the word "corporation" or "incorporated" or the abbreviation "Inc.," or the word "company" or the abbreviation "Co.," but if the word "company" or the abbreviation

"Co." is used it may not be immediately preceded by the word "and" or the abbreviation "&." The provisions of this subsection shall not affect the right of any corporation existing on June 13, 1968, to continue the use of its name.

(2) The corporate name shall not be the same as, nor deceptively similar to, the name of any other domestic corporation or of any foreign corporation authorized to do business in this state *or any name which has been registered or reserved as provided by law, or the name of any foreign limited partnership authorized to do business in Kentucky, or any assumed name registered with the secretary of state pursuant to KRS 365.015,* unless the written consent of such other domestic or foreign corporation, *reserved or registered name holder, foreign limited partnership, or assumed name holder* to the adoption of its name or a deceptively similar name has been given and one or more words are added to make such name distinguishable from such other name.

(3) The corporate name shall not contain any word or phrase which indicates or implies that it is organized for any purpose not permitted under KRS 273.161 to 273.390.

(4) The assumption of a name in violation of this section shall not affect or vitiate the corporate existence, but the courts of this state having equity jurisdiction may, upon the application of the state or of any person interested or affected, enjoin such corporation from doing business under a name assumed in violation of this section, although a certificate of incorporation may have been issued.

Section 6. KRS 273.181 is amended to read as follows:

(1) Every domestic corporation shall maintain an office in this state to be known as its registered office and shall have an authorized agent upon whom process can be served *whose business office is identical with such registered office.* The street and number, if any, of the original registered office and the name [and address] of the registered agent shall be stated in the articles of incorporation as provided in subsection (1)(e) of KRS 273.247.

(2) When any change is made in the name or address of the process agent, the corporation shall at once file with the secretary of state a statement of the change. The former agent shall remain agent for the purpose of service of process until a statement designating the new agent is filed.

Section 7. KRS 273.263 is amended to read as follows:

Amendments to the articles of incorporation shall be made in the following manner:

(1) If there are members entitled to vote thereon, the board of directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of members entitled to vote thereon, which may be either an annual or a special meeting. Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each member entitled to vote at such meeting within the time and in the manner provided in KRS 273.161 to 273.390 for the giving of notice of meetings of members. The proposed amendment shall be adopted upon receiving at least two-thirds (⅔) of the votes which members present at such meeting or represented by proxy are entitled to cast.

(2) If there are no members, or no members entitled to vote thereon, an amendment shall be adopted at a meeting of the board of directors upon receiving the vote of a majority of the directors in office.

(3) Any number of amendments may be submitted and voted upon at any one meeting.

(4) Proposed amendments may be incorporated into restated articles of incorporation which contain a statement that except for the designated amendment the restated articles of incorporation currently set forth without change the corresponding provisions of the articles of incorporation as theretofore amended, and that the restated articles of incorporation together with the designated amendment supersede the original articles of incorporation and all amendments thereto.

Section 8. KRS 273.367 is amended to read as follows:

(1) Every domestic corporation shall, in June of each year, file with the secretary of state a statement verifying the correctness of the location and post-office address of its registered office and the name of its agent designated for the service of process.

(2) Every foreign corporation shall, in June of each year, file a statement of existence with the secretary of state in such form and containing such information as may be prescribed by him. The statement of existence shall also contain a statement verifying the correctness of the location and post-office address of the corporation's office and the name of its agent designated for the service of process.

(3) When any change is made in the location and post-office address of the registered office of a domestic corporation, or of the Kentucky office of a foreign corporation, or in the name or address of the process agent of any corporation, the corporation shall at once file with the secretary of state a statement of the change. The former agent shall remain agent for the purpose of service of process until a statement designating the new agent is filed.

(4) The agent for service of process provided for in this section may be either an individual resident of this state, or a corporation authorized to transact business in this state and authorized by its articles or certificate of incorporation to act as such agent. Service of process upon a corporate agent, as such agent, may be had by delivering a copy of the process to the president, a vice president, the secretary, or an assistant secretary of such corporate agent.

(5) Whenever a *three* [five]-year period has elapsed or shall elapse during which period a domestic or foreign corporation has not filed with the secretary of state either a statement verifying the correctness of the location and post-office address of its registered office and the name of its agent for the service of process or the annual report required by this chapter, the secretary of state shall mail to the corporation at its registered office a notice that if the required statements and/or reports are not filed within six months after the mailing of the notice, the certificate of incorporation will be revoked, if a domestic corporation, or withdrawn, if a foreign corporation. If the required statements and/or reports are not received within six months from the date on which the notice was mailed, the secretary of state shall revoke or withdraw the certificate of incorporation as provided above and mail notice thereof to the corporation at its registered office.

(6) *The secretary of state may reinstate the certificate of incorporation of any domestic corporation revoked as provided in subsection (5) of this section, provided that such revoked corporation shall have:*

(a) Furnished such information to the satisfaction of the secretary of state that the failure of the corporation to file annual reports for three (3) consecutive years was not intentional, and that the corporation is, and has continually been engaged in the ordinary course of its business;

(b) Paid to the secretary of state a penalty of one hundred dollars ($100);

(c) Filed with the secretary of state a certificate from the commissioner of revenue that the corporation has paid or furnished satisfactory security for the payment of all income and license taxes, and the interest and penalties thereon, that the corporation owes to this state; and

(d) Filed all reports this chapter would have required between the date of incorporation and the date or reinstatement which were not previously filed, and paid the fees thereon.

(7) When it appears that upon revocation or dissolution assets remain in the corporation, a member or any citizen may make application to the circuit court of the county in which the registered office of corporation was located for an order making disposition of any remaining property or assets in accordance with the provisions of KRS 273.333(3).

Section 9. KRS 362.095 is amended to read as follows:

(1) A foreign limited partnership may be authorized to do business in this state when, and only when, it has:

(a) Filed a certified copy of its articles of partnership *or a certified copy of its certificate of limited partnership* and all existing amendments in the office of the secretary of state, which may omit signature pages other than those signed by a general partner. It shall thereafter file a certified copy of subsequent amendments to its articles *or certificate* in the office of the secretary of state, provided that no amendment indicating merely a change in limited partners need be filed. A limited partnership shall pay to the Secretary of State an original filing fee of twenty-five dollars and a recording fee of ten dollars for recording the articles *or certificate* of partnership and accompanying amendments, and shall pay the same recording fee for recording subsequent amendments; and

(b) Designating a process agent, which shall have the same legal effect and be subject to the same requirements as a process agent for a foreign corporation under KRS 271A.555.

(2) *The name of a foreign limited partnership shall not be the same as, or deceptively similar to, the name of any domestic corporation existing under the laws of this state or any foreign corporation authorized to transact business in this state, or a name of the exclusive right to which is, at the time, reserved in the manner provided in this chapter, or the name of a corporation which has in effect a registration of its name as provided in this chapter, or any assumed name filed with the secretary of state pursuant to KRS 365.015, except that this provision shall not apply if the foreign limited partnership applying for a certificate of authority files with the secretary of state any one of the following:*

(a) A resolution adopting a fictitious name for use in transacting business in this state which fictitious name is not deceptively similar to the name of any domestic corporation or of any foreign corporation authorized to transact business in this state or to any name reserved or registered as provided in this chapter, or any assumed name filed with the secretary of state; or

(b) The written consent of such other corporation or holder of a reserved or registered name or assumed name holder to use the same or deceptively similar name and one (1) or more words are added to make such name distinguishable from such other name; or

(c) A certified copy of a final decree of a court of competent jurisdiction establishing the prior right to such foreign limited partnership to the use of such name in this state.

(3) A limited partnership registering to do business in this state under subsection (1) of this section shall not be required to list the names of each limited partner.

Section 10. KRS 365.015 is amended to read as follows:

(1) The real name of a person shall include his or her surname at birth, or his or her name as changed by a court of competent jurisdiction, or the surname of a married woman; the real name of a domestic general partnership is that name which includes the real name of at least one of the partners; the real name of a domestic limited partnership is that name which includes the real name of at least one of the general partners; the real name of a domestic business trust is the name set forth in the declaration of trust; and the real name

of a domestic corporation is the name set forth in its articles of incorporation. The real name of a foreign general or limited partnership and of a foreign business trust is the name recognized by the laws of the foreign state under which it is formed as being the real name; and the real name of a foreign corporation is the name set forth in its articles of incorporation or the fictitious name adopted for use in this state under KRS 271A.530.

(2) No person, general or limited partnership, business trust or corporation shall conduct or transact business in this state under an assumed name or any style other than his or its real name, as defined in subsection (1) of this section, unless such person, partnership, business trust or corporation has filed a certificate of assumed name.

The certificate shall state the assumed name under which the business will be conducted or transacted, the real name of person, partnership, business trust or corporation and his or its address, including street and number, if any.

A separate certificate shall be filed for each assumed name.

No certificate to be filed with the secretary of state shall set forth an assumed name which is identical or deceptively similar to any other assumed name or any corporate name *or any foreign limited partnership name* previously filed with the secretary of state unless the certificate is accompanied by the written consent of the prior holder of the assumed or corporate *or partnership name* and such word or words are added to the proposed assumed name so as to distinguish it from the previously filed assumed or corporate *or partnership* name.

The certificate shall be executed and acknowledged for a person, by the person; for a general partnership, by all the partners; for a limited partnership, by a general partner; for a business trust, by the trustees; for a corporation, by its president or vice president and secretary or assistant secretary.

(3) The certificate of assumed name for a person shall be filed with the county clerk of each county wherein business will be conducted or transacted under an assumed name. The certificate of assumed name for a general or limited partnership, business trust or corporation shall be filed with the secretary of state and with the county clerk of each county wherein business will be conducted or transacted under an assumed name.

(4) Upon discontinuing the use of an assumed name, the certificate shall be withdrawn by filing a certificate in the office wherein the original certificate of assumed name was filed. The certificate of withdrawal shall state the assumed name, the real name and address of the party transacting business and the date upon which the original certificate was filed. The certificate of withdrawal shall be signed and acknowledged as required in subsection (2) of this section.

(5) The county clerk shall receive a fee pursuant to KRS 64.012 for filing each certificate, and the secretary of state shall receive a fee of ten dollars ($10) for filing each certificate.

The Committee on Elections and Constitutional Amendments reported **SB 366** with Committee Amendment attached thereto, and **HB 557** with Committee Substitute and Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 366, AN ACT relating to campaign finance regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 121.015 is amended to read as follows:

As used in KRS 121.100 to 121.200, and 121.990:

(1) "Registry," means the Kentucky registry of election finance.

(2) "Election," means any primary, regular or special election to fill vacancies.

(3) "Committee," means *one of the following:*

(a) "Campaign committee," which means one (1) or more persons who receive contributions and make expenditures to support or oppose one (1) or more specific candidates for nomination or election to any state, county, city or district office; [any combination of two (2) or more persons acting jointly, including a state or county executive committee of a political party, or any other organization or group, organized, in whole or in part, for the purpose of furthering political candidacies.

(4)]*(b)* "Political *issues* [action] committee," *which* means three (3) or more persons joining together to advocate or oppose a constitutional amendment or public question if that committee receives or expends money in excess of $1,000*;*

(c) "Permanent committee," which means a group of individuals, including an association, committee or organization, other than a campaign committee or party executive committee, which is established

as, or intended to be, a permanent organization having as a primary purpose political activity which may include support of or opposition to selected candidates, political parties, or issues of public importance, and which functions on a regular basis throughout the year; or

(d) An executive committee of a political party.

(4) "Contributing organization" means a group which merely contributes to candidates, campaign committees or executive committees from time to time from funds derived solely from within the group, and which does not solicit or receive funds from sources outside the group itself. However, any contributions made by such groups in excess of one hundred dollars ($100) shall be reported to the registry.

(5) "Testimonial affair," means an affair held in honor of a person who holds or who is or was a candidate for nomination or election to, a political office in this state, designed to raise funds for any purpose not charitable, religious or educational.

(6) "Contribution," means any:

(a) Payment, distribution, loan, deposit, or gift of money or other thing of value, to a candidate, his agent, or political committee. *As used in this subsection, "loan" shall include a guarantee, endorsement, or other form of security where the risk of non-payment rests with the surety, guarantor, or endorser, as well as with a political committee, candidate, or other primary obligor. No person shall become liable as surety, endorser, or guarantor for any sum in excess of the contribution limit provided in KRS 121.150(5)*; or

(b) Payment by any person other than the candidate, his authorized treasurer, or political committees, or compensation for the personal services of another person which are rendered to a candidate's campaign; or

(c) Goods, advertising, or services furnished to a candidate's campaign without charge, or at a rate which is less than the rate normally charged for such goods or services; or

(d) Payment by any person other than the candidate, his authorized treasurer, or political committees for any goods, or services utilized in a candidate's campaign; or

(e) Expenditure in connection with any other activity undertaken independently of the candidate's campaign made or furnished for the purpose of influencing the results of an election; or

(f) Notwithstanding foregoing meanings of "contributions," the word shall not be construed to include

1. Services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate*;*

2. A loan of money by any financial institution doing business in Kentucky made in accordance with applicable banking laws and regulations and in the ordinary course of business.

(7) "Candidate" means any person who has received contributions or made expenditures, has appointed a campaign treasurer, or has given his consent for any other person to receive contributions or make expenditures with a view to bringing about his nomination or election to public office.

Section 2. KRS 121.035 is amended to read as follows:

(1) No corporation organized or authorized to do business in this state shall, by itself or by or through an officer, agent, attorney or employe, subscribe, give, procure or furnish, or afterwards reimburse or compensate in any way any person who has subscribed, given, procured or furnished, any money, privilege, favor or other thing of value to any political or quasi-political organization, or any officer or member thereof, to be used by such organization for *the* [any] purpose *of aiding, assisting or advancing any candidate for public office in any way* whatever.

(2) No officer, agent, attorney or employe of any corporation organized or authorized to do business in this state, or person acting for or representing any such corporation, shall disburse, distribute, pay out or in any way handle any money, funds or other thing of value that belongs to or has been or is being furnished by any such corporation or any officer, agent, attorney or employe thereof to be used or employed in any way for the purpose of aiding, assisting or advancing [the cause of any political or quasi-political organization or of] any candidate for public office in any way whatever.

(3) Nothing in this section shall be construed to prohibit a corporation from making contributions in support of a position on an issue of public importance.

Section 3. KRS 121.055 is amended to read as follows:

No candidate for nomination or election to any state, county, city or district office shall expend, pay, promise, loan or become pecuniarily liable in any way for money or other thing of value, either directly or indirectly, to any person in consideration of the vote or financial or moral support of that person. No such candidate shall promise, agree or make a contract with any person to vote for or support any particular individual, thing or measure, in consideration for the vote or the financial or moral support of that person in any election, primary or nominating convention, and no person shall *require* [demand] that any candidate make such a promise, agreement or contract.

Section 4. KRS 121.120 is amended to read as follows:

(1) The registry shall appoint a full-time executive director, legal counsel and an accountant for auditing purposes, all of whom shall serve at the pleasure of the registry. The registry shall also appoint such other employes as are necessary to carry out the purposes of this chapter.

(2) It shall be the duty of the registry to conduct hearings with regard to possible violations and for the effectual carrying out of its responsibilities the registry shall have the authority to initiate a civil action in any court of competent jurisdiction for the purpose of enforcing compliance with the provisions of this chapter or enjoining violations thereof or recovering any penalty prescribed by this chapter.

(3) The registry shall adopt such regulations, official forms and perform such duties as are necessary to implement the provisions of KRS 121.015 and 121.100 to 121.200. Without limiting the generality of the foregoing the registry shall:

(a) Develop prescribed forms for the making of the required reports;

(b) Prepare and publish a manual for all candidates and committees, describing the requirements of the law, including uniform methods of bookkeeping and reporting and requirements as to reporting dates and the length of time that candidates and committees are required to keep any records pursuant to the provisions of this chapter;

(c) Develop a filing, coding and cross-indexing system;

(d) Make each report filed available for public inspection and copying during regular office hours at the expense of any person requesting copies of the same;

(e) Preserve all reports for at least four (4) years from the date of receipt;

(f) Prepare and make available for public inspection a summary of all reports grouped according to candidates and parties, containing the total receipts and expenditures, and the date, name, address and occupation, and amount contributed by each contributor, listed alphabetically, shown to have contributed in excess of $100;

(g) Prepare and publish an annual report with cumulative compilations named in paragraph (f) above;

(h) Distribute upon request, for a nominal fee, copies of all summaries and reports;

(i) Determine whether the required reports have been filed and if so, whether they conform with the requirements of this chapter;[,] give notice to delinquents to correct or explain defections*; issue an order, if appropriate, as provided in KRS 121.140(2);*[,] make public the fact that a violation has occurred and the nature thereof;

(j) Hold public hearings, investigate any violations in reporting, and issue subpoenas for the production of any books, papers, correspondence, memorandums or other records and the attendance of witnesses which the registry deems relevant or material for the purpose of any investigation;

(k) Conduct random audits of receipts and expenditures of candidates running for city, county, urban county government, and district offices. When the registry audits the records of any selected candidate, it shall also audit the records of all other candidates running for the same office in the selected city, county, urban county government, or district office;

(l) Conduct audits of receipts and expenditures of all candidates running for statewide office;

(m) Candidates shall maintain their records for a period of four (4) years from the date of the general election in their respective political races.

(n) Make investigations with respect to reports upon complaint by any registered voter and to initiate proceedings on its own motion;

(o) Adopt and promulgate in accordance with this subsection a "Code of Fair Campaign Practices";

(p) Forward to the attorney general or to the appropriate commonwealth's attorney any violations of this chapter which may become the subject of civil prosecution.

Section 5. KRS 121.140 is amended to read as follows:

(1) Upon the sworn complaint of any person, or on its own initiative, the registry shall investigate alleged violations of this law. Not later than five (5) days after the registry receives a sworn complaint, or after it decides to investigate on its own initiative, it shall give notice of the investigation to the person complained against. The person complained against shall be given five (5) days from receipt of notice of the investigation in which to respond to the complaint of alleged violations of this law. Not later than five (5) days after receipt of a response from the person complained against, the registry shall:

(a) Acknowledge receipt of the complaint to the complainant, where appropriate;

(b) Acknowledge receipts of the response from the person complained against; and

(c) Notify, in writing, the person who made the complaint and the person complained against of what action, if any, the registry has taken or plans to take on the complaint together with the reasons for such action or non-action. If the registry does not decide within five (5) days of receipt of the response what action to take, it shall notify the person who made the complaint of the reasons for the delay and shall subsequently give him the appropriate notification.

(2) When the registry concludes that there is probable cause to believe that the law has been violated, it may hold a hearing to determine if such violation has occurred. If a hearing is held, the person

complained against may choose whether the hearing shall be open or closed. At the hearing, the person complained against shall have all of the protections of due process, including but not limited to the right to be represented by counsel, the right to call and examine witnesses, the right to the production of evidence by subpoena, the right to introduce exhibits and the right to cross-examine opposing witnesses. When the registry determines that the preponderance of the evidence shows a violation has occurred, it shall issue an order to the violator to comply with any one or more of the following requirements:

(a) To cease and desist violation of this law;

(b) To file any reports or other documents or information required by this law; or

(c) To pay a penalty not to exceed one hundred dollars ($100) a day for failure to file any report or other document or information required by law until such report, document or information is filed.

(3) If the registry concludes that there is probable cause to believe that the law has been violated wilfully, it may refer such violation to the attorney general or to the appropriate local prosecutor for investigation and prosecution. The attorney general or the appropriate local prosecutor shall have responsibility for prosecutions under the law and may request from the registry all evidence collected in its investigation.

(4) Any person directly involved or affected by an action of the registry which is final, other than of a determination to refer a violation to the attorney general or to the appropriate local prosecutor for prosecution, may seek, judicial review of such action.

(5) If judicial review is sought of any action of the registry relating to a pending election, the matter shall be advanced on the docket of the court. The court may take any steps authorized by law to accelerate its procedures so as to permit a timely decision. [Any registered voter who believes a violation of this chapter has occurred may file a complaint under oath with the registry. Such complaint shall be kept confidential pending final determination of the merits of the complaint by the registry. The registry shall conduct a preliminary investigation of the merits of such complaint. If the registry determines that there are no reasonable grounds to believe that a violation has occurred, the complaint shall be dismissed. If the registry determines that there are such reasonable grounds, it shall give notice summoning the persons believed to have committed the violation to a hearing. The registry shall adopt such regulations to govern the conduct of a hearing. The registry itself, if it has reasonable grounds to believe that a violation of this chapter has occurred shall initiate action and notify the attorney general or the appropriate commonwealth's attorney of the suspected violation.]

Section 6. KRS 121.150 is amended to read as follows:

(1) No contribution of money or other thing of value, nor obligation therefor, shall be made or received, and no expenditure of money or other thing of value, shall be made or incurred, directly or indirectly, *other than an "independent expenditure,"* to support or defeat a candidate in an election, except through the duly appointed campaign manager, or campaign treasurer of the candidate or registered committee. *As used in this section, "independent expenditure" means one (1) made for a communication which expressly advocates the election or defeat of a clearly identified candidate and which is not made with any direct or indirect cooperation, consent, request or suggestion or consultation involving a candidate or his authorized committee or agent. Any person making an "independent expenditure" as defined herein must report these expenditures, when he exceeds one hundred dollars ($100) per calendar year, on forms provided by the registry.*

(2) The solicitation from and contributions by candidates and party executive committees to any religious, charitable, civic, eleemosynary or other causes or organizations established primarily for the public good is expressly prohibited; Provided That it shall not be construed as a violation of this section for a candidate to continue regular personal contributions to religious, civic or charitable groups, of which he is a member or to which he has been a regular contributor for more than six (6) months.

(3) Any anonymous contribution in excess of fifty dollars ($50.00) received by a campaign treasurer or committee shall not be used or expended, but shall be returned to the donor, if his identity is known, and if no donor is found, the contribution shall escheat to the state.

(4) No candidate *nor*[,] committee, [or political action committee,] nor anyone on their behalf, shall accept a cash contribution in excess of one hundred dollars ($100).

(5) No person may contribute more than $3,000 to any one candidate in any one election.

(6) No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

Section 7. KRS 121.170 is amended to read as follows:

(1) *Any* [Each] committee organized, *under any provisions of this Act,* [in whole or in part, for the purpose of furthering a political candidacy, and any political action committee] shall register with the registry, by filing official notice of intention at the time of organization, giving names and addresses and positions of the officers of the organization and designating the candidate or candidates or question it is organized to support or oppose on forms prescribed by the registry.

(2) All provisions of KRS 121.015 and 121.100 to 121.200 governing the duties and responsibilities of a candidate or campaign treasurer shall apply to a registered committee.

(3) The chairman of a committee and the campaign treasurer shall be separate persons.

Section 8. KRS 121.180 is amended to read as follows:

(1) State and county executive committees shall make a full report, upon a prescribed form, to the registry, of all money, loans or other things of value, received from any source since the date of the last report, including the name, address, and occupation of each person or group contributing in excess of one hundred dollars ($100), the amount contributed by each and the date of the contribution, and a complete statement of all expenditures authorized, incurred, or made. The complete statement of expenditures shall include the name and address of each person to whom an expenditure is made in excess of fifty dollars ($50.00) and the amount, date and purpose of each expenditure. This report shall be made to the registry within thirty (30) days after the regular primary and general elections. If an individual gives a reportable contribution to a state or county executive committee with the intention that the contribution or a portion of the contribution go to a candidate, the name of the contributor and the sum shall be indicated on the committee report. The receipts and expenditures of funds remitted to each political party under KRS 141.071 to 141.073 shall be separately accounted for and reported to the registry in the manner required by KRS 121.230. Such separate report may be made a separate section within the report required, by this subsection, to be submitted within thirty (30) days after each general election.

(2) Each campaign treasurer of a candidate, [or] campaign committee *or political issues committee* shall make a full report, upon a prescribed form, to the registry, of all money, loans or other things of value, received by him from any source, since the date of the last report, including the name, address, and occupation of each person or group contributing in excess of one hundred dollars ($100), the amount contributed by each and the date of the contribution, and a complete statement of all expenditures authorized, incurred, or made, *other than "independent expenditures," as defined in KRS 121.150(1)*. The complete statement of expenditures shall include the name, address, and occupation of each person to whom an expenditure is made in excess of fifty dollars ($50.00), and the amount, date and purpose of each expenditure.

(a) Reports of all candidates and their campaign committee shall be made *as follows*:

1. Persons becoming candidates as defined in KRS 121.015(7) and campaign committees which register in the year before the year an election in which the person or persons supported is to be a candidate occurs, shall file financial reports with the registry at the end of the first calendar quarter after the person becomes a candidate or following registration of the committee, and each calendar quarter thereafter, ending with the calendar quarter just prior to the due date of the first thirty-two (32) day, pre-primary reports.

2. All candidates and their campaign committee shall make reports on the thirty-second day preceding an election, including all previous contributions and expenditures.

3. All candidates and their campaign committee shall make reports [2.] on the twelfth day preceding the date of the election.

4. All candidates and their campaign committee shall make reports [3.] within thirty (30) days after the election.

5.[4.] Candidates shall have five (5) days from each filing deadline in which to get their reports into the hands of the registry.

(3) In making the preceding reports, proceeds from the sale of tickets for events such as testimonial affairs, dinners, luncheons, rallies and similar fund raising events, mass collections made at such events, and sales of items such as campaign pins, buttons, hats, ties, literature and similar materials, the total gross receipts from each category shall be listed. When any individual purchase or the aggregate purchases of any item enumerated above exceeds one hundred dollars ($100), the purchaser shall be identified by name, address and occupation and the amount purchased shall be reported to the registry. Such lists shall be maintained by the campaign treasurer or other sponsor for inspection by the registry for four (4) years following the date of the election.

(4) Each permanent committee shall make a full report, upon a prescribed form, to the registry of all money, loans or other things of value, received by it from any source, since the date of the last report, including the name, address, and occupation of each person or group contributing in excess of one hundred dollars ($100), the amount contributed by each and the date of the contribution, and a complete statement or all expenditures authorized, incurred or made, other than "independent expenditures," as defined in KRS 121.150(1). This report shall be made to the registry on the last day of the first calendar quarter following the registration of the committee with the registry and on the last day of each succeeding calendar quarter until such time as the committee terminates.

(5)[(4)] If the final statement shows an unexpended balance of contributions, continuing debts and obligations, or an expenditure deficit, the campaign treasurer shall file with the registry a supplemental statement of contributions and expenditures not more than thirty (30) days after the deadline for filing the final statement[, and every sixty (60) days after the deadline for filing the first supplemental statement, an additional supplemental statement of contributions and expenditures]. Subsequent supplemental statements shall be filed *semi-annually* [quarterly] thereafter *on June 30 and December 31* until the account shows *no* [an] unexpended balance, continuing debts and obligations, expenditures, or deficit. A candidate does not have to file supplemental reports if the debt is the candidate's personal note.

(6)[(5)] All reports filed under the provisions of this chapter shall be a matter of public record open to inspection by any member of the public immediately upon receipt of the report by the registry. A duplicate copy of each report filed with the registry shall be filed by the candidate or committee with the county clerk in the county in which the candidate resides at the same time. County clerks shall maintain these reports for public inspection for a period of one (1) year from the date the last report is required to be filed.

(7)[(6)] If a candidate is unopposed in a primary or general election after the time prescribed by law for qualifying for nomination or election to the office, and has received no contributions nor made any expenditures, then his obligation to file the reports required by KRS 121.015 and 121.100 to 121.200 shall cease. A candidate who is opposed but receives no contribution or makes no expenditures shall so report on the dates designated in this section, and file all reports required by KRS 121.015 and 121.100 to 121.200.

(8) A candidate is relieved of the duty personally to file reports and keep records of receipts and expenditures if the candidate states in writing or on forms provided by the registry that:

(a) Within five (5) days after personally receiving any contributions, the candidate shall surrender possession of the entire contribution or contributions to the treasurer of his principal campaign committee without expending any of the proceeds thereof. No contributions shall be commingled with the candidate's personal funds or accounts. Contributions received by check, money order, or other written instrument shall be endorsed directly to the political committee and shall not be cashed or deemed by the candidate.

(b) The candidate shall not make any unreimbursed expenditure for his campaign, except that this paragraph does not preclude a candidate from making an expenditure from personal funds to his designated principal campaign committee, which expenditure shall be reported by the committee as a contribution received.

(c) The waiver shall continue in effect as long as the candidate complies with the conditions under which it was granted.

(9)[(7)] No candidate as defined in this section, nor any committee *as defined in this section* [which has been organized in whole or in part to further the candidacy of such person,] shall use or permit the use of contributions or funds solicited or received for such person to further the candidacy of such person for a different public office. Any funds or contributions solicited or received by or on behalf of a candidate or any committee, which has been organized in whole or in part to further any candidacy for the same person, shall be deemed to have been solicited or received for the candidacy for which he is then a candidate if the funds or contributions are solicited or received at any time prior to the general election for which he is a nominee and for thirty days (30) thereafter. Any unexpended balance of funds not otherwise obligated for the payment of expenses incurred to further the candidacy of such person shall, at the election of the candidate or committee, be returned pro rata to all contributors or be transferred to the executive committee of the political party of which the candidate is a member except that a candidate, committee or an official may retain such funds to seek *election* [re-election] to the same office.

Section 9. KRS 121.210 is amended to read as follows:

(1) Each candidate *may* [shall] designate one (1) *central campaign* [political committee as his central campaign] committee. *If so designated,* the central campaign committee shall receive all reports made by any other *campaign* [political] committee *authorized in writing by the candidate to accept* [accepting] contributions or *make* [making] expenditures for the purpose of influencing the nomination for election, or election, of the candidate who designated it as his central campaign committee.

(2) Each statement or report *which an authorized* [that a political] committee is required to file with or furnish to the registry shall, if that [political] committee is not a central campaign committee, be furnished instead to the central campaign committee for the candidate on whose behalf that [political] committee is, or is established for the purpose of, accepting contributions or making expenditures.

(3) Each central campaign committee shall receive all reports and statements filed with or furnished to it by other *authorized* [political] committees, and shall consolidate and furnish the reports and statements to the registry, together with its own reports and statements as prescribed by KRS 121.180.

(4) Campaign committees not authorized by, or which have been disavowed by the candidate, shall not include the name of the candidate as part of the committee's name and shall file the reports and statements with the registry as prescribed in KRS 121.180.

Section 10. KRS 121.220 is amended to read as follows:

(1) Each candidate and each committee [formed to advocate or oppose a constitutional amendment or public question] shall, before receiving any contributions or expending any money, designate one (1) primary campaign depository for the purpose of depositing all contributions received and disbursing all expenditures made by the candidate or committee. The candidate or committee may also designate one (1) secondary depository in each county in which an election is held and in which the candidate or committee participates. Deputy campaign treasurers may make deposits in and make expenditures from secondary depositories. Only a bank authorized to transact business in Kentucky may be designated as a campaign depository. The candidate or committee shall file the name and address of each primary and secondary depository so designated at the same time the candidate or committee files the name of his or its campaign treasurer.

(2) All funds received by the campaign treasurer or any deputy campaign treasurer of any candidate or committee shall be deposited prior to the end of the fifth business day following their receipt in a campaign depository in an account designated "Campaign Fund of (name of candidate or committee)". A statement showing the full name, address and occupation of each contributor of more than one hundred dollars ($100) shall be deposited together with a statement of the amount received. Cash contributions shall be accompanied by the same receipt form. [Such statement shall be in triplicate upon a form prescribed by the registry, one (1) copy to be retained by the campaign depository, one (1) copy to be filed by the campaign treasurer in the campaign report to the registry, and one (1) copy to be retained by the campaign treasurer. Statement shall be certified as correct by the campaign treasurer.]

Section 11. KRS 121.230 is amended to read as follows:

(1) No political party to which funds are remitted under KRS 141.071 to 141.073 shall use such funds other than in support of the party's candidates in a general election *and for the administrative costs of maintaining a political party headquarters.*

(2) Each political party to which funds are remitted under KRS 141.071 to 141.073 shall deposit such funds in a bank account separate from any account in which other funds of the political party are maintained. All expenditures from such remitted funds shall be by check. A copy of each cancelled check written on the account of funds remitted under KRS 141.071 to 141.073 shall be retained by the political party for a period of not less than four (4) years.

(3) The designated official of each political party to which funds are remitted under KRS 141.071 to 141.073 shall maintain a current record of the receipts, balance and expenditures of the funds so remitted. In addition, the official shall, within thirty (30) days after each general election, forward to the registry of election finance a report of:

(a) The unexpended and unobligated balance of such remitted funds; and

(b) An itemized listing of each expenditure authorized, incurred or made from such remitted funds, indicating the amount, date and purpose of each expenditure, regardless of the amount, and the name, address and occupation of each person to whom an expenditure of fifty dollars ($50) or more was made, since the date of the last report.

(4) The reports required by subsection (3) of this section shall be a matter of public record open to inspection by any member of the public immediately upon receipt of the report by the registry.

(5) The registry of election finance shall annually audit the accounts and records of receipts and expenditures of funds remitted to each political party under KRS 141.071 to 141.073 and shall report the results of each audit to the general assembly. In the course of such audits, the registry or its authorized agents may ascertain the amount of such remitted funds on deposit in the separate bank account, required by subsection (2) of this section, of the political party audited and may audit the account on the books of the bank. No bank shall be liable for making available to the registry any of the information required under this section.

Section 12. KRS 121.990 is amended to read as follows:

(1) Any public service corporation engaged in business in this state, or any officer or agent of such corporation, or attorney or other person employed by such corporation, who *wilfully* violates any of the provisions of KRS 121.025, shall be fined not more than ten thousand dollars ($10,000), and, in the case of individuals, be imprisoned in the county jail for not less than thirty (30) days nor more than one (1) year.

(2) Any corporation other than a public service corporation, or any officer or agent of such a corporation, or attorney or other person employed by such a corporation, who *wilfully* violates any of the provisions of KRS 121.025 with respect to the nomination or election of any state, county, city or district officer who, in his official capacity, is required by law to perform any duties peculiar to such corporation not common to the general public, or to supervise, regulate or control in any manner the affairs of such corporation, or to perform any duty in assessing the property of such corporation for taxes, shall be fined not more than ten thousand dollars ($10,000), and, in the case of individuals, be imprisoned in the county jail for not less than thirty (30) days nor more than one (1) year.

(3) Any corporation other than a public service corporation, or any officer or agent of such a corporation, or attorney or other person employed by such a corporation, who *wilfully* violates any of the provisions of KRS 121.025 with respect to the nomination or election of any candidate other than those mentioned in subsection (2) of this section, shall be fined not more than one thousand dollars ($1,000), and, in the case of individuals, be imprisoned in the county jail for not more than one (1) year.

(4) Any attorney who *wilfully* violates any of the provisions of KRS 121.025 or 121.045 shall, in addition to the penalties prescribed in subsections (1), (2), (3) and (7) of this section, be disbarred from the practice of law in this state, and the judgment of conviction shall so declare.

(5) Any corporation that *wilfully* violates any of the provisions of subsection (1) of KRS 121.035 shall be fined not less than five hundred dollars ($500) nor more than five thousand dollars ($5,000) for each offense, and upon conviction its charter shall be forfeited or its authority to do business revoked.

(6) Any person who *wilfully* violates any of the provisions of subsection (2) of KRS 121.035 shall, for each offense, be fined not less than two hundred and fifty dollars ($250) nor more than one thousand

dollars ($1,000), and imprisoned in the county jail for not less than three (3) months nor more than one (1) year.

(7) Any person who *wilfully* violates any of the provisions of KRS 121.045 shall be fined not more than ten thousand dollars ($10,000), and imprisoned in the county jail for not less than thirty (30) days nor more than one (1) year.

(8) Any person who *wilfully* violates any of the provisions of KRS 121.055 shall be fined not more than five thousand dollars ($5,000), or imprisoned in the county jail for not more than six (6) months, or both.

(9) Any person who wilfully violates any provision of KRS 121.100 to 121.200 shall be punishable by a fine not exceeding $1,000 or by imprisonment for not more than one (1) year, or both. Violations shall include but shall not be limited to any of the following acts or omissions;

(a) Failure to make required reports or to file reports at times specified;

(b) Making any false statement or report;

(c) Giving money under a fictitious name;

(d) Making any communication to support or defeat a candidate without identification of sponsorship.

(10) The nomination for, or election to, an office of any candidate who *wilfully* violates any provision of KRS 121.100 to 121.200, or whose campaign treasurer *wilfully* violates any provision of KRS 121.100 to 121.200, with such candidate's knowledge, shall be void, and the office or candidacy shall be filled as provided by law for the filling of a vacancy. An action to declare a vacancy under this subsection may be brought by the registry, *the attorney general, or* any candidate for the office sought to be declared vacant, or any qualified voter.

(11) The attorney general, commonwealth's attorney, the registry, or any qualified voter may sue for injunctive relief to compel compliance with the provisions of KRS 121.100 to 121.200.

(12) The commonwealth attorney for the county in which the candidate resides shall be the chief prosecutor upon receipt of a written request from the registry, prosecute any violator under this chapter, and in the event he fails or refuses to prosecute a violator, upon written request from the registry, the attorney general shall appoint a special prosecutor with full authority to carry out the provisions of this section.

(13) Prosecution for violation of any provision of KRS 121.100 to 121.200, shall not be commenced after four (4) years has elapsed from the date of the violation. In the event the violator is an officeholder, the statute of limitations shall not run until one (1) year following expiration of his current term of office.

(14) Any person who *wilfully* violates any of the provisions of subsection (1) of KRS 121.310 shall be fined not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000), or imprisoned in the county jail for not more than six (6) months, or both.

(15) Any corporation that *wilfully* violates any of the provisions of subsection (2) of KRS 121.310 shall be fined not less than five hundred dollars ($500) nor more than five thousand dollars ($5,000) for each offense, and upon conviction its charter shall be forfeited or its authority to do business revoked.

(16) Any person who *wilfully* violates any of the provisions of KRS 121.320 shall be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500), or imprisoned in the county jail for not less than ten (10) days nor more than thirty (30) days, or both.

The Committee Amendment No. 1 to **SB 366** is as follows:

Amend printed copy of **SB 366,** page 9, line 2, after "Practices" insert ", including but not limited to provisions allowing immediate recourse against candidates and others acting on their behalf who engage in false advertising in political campaigns"

HB 557, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

(1) The superintendent of all county school districts shall be elected by the legal voters of the district at the first regular November election in which local government officials are elected.

(2) The person elected to the office of county school superintendent shall take office on the first Monday in January following his election and shall hold office for a term of four years and until his successor is elected and qualified.

(3) No person shall be eligible as a candidate for the elective office of county school superintendent under this Act, who does not at the time he files his papers with the county clerk hold a statement signed

by the superintendent of public instruction that he has been duly issued a certificate of administration and supervision issued in accordance with the provisions of law and which qualifies him to hold the office to which he aspires. The elected county school superintendent shall hold such a certificate throughout his term of office.

(4) When a vacancy occurs in the office of county school superintendent, the board of education in the county school district shall appoint a person who meets the qualifications of subsection (3) of this section to the office for the unexpired part of the term only.

SECTION 2. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

(1) All elections for county school superintendent shall be by voting machine. The ballot label shall be in the form prescribed by the general election law, except that no party emblem or other distinguishing mark which indicates the political affiliation of any candidate shall be placed upon the ballot label; provided, however, that "school ballot" shall be at the head of the ballot label.

(2) The county clerk shall cause to be printed on the ballot label the names of all eligible candidates who have filed a petition as provided in KRS 118.315. The order in which the names of the candidates are to be printed on the ballot label shall be determined by lot.

SECTION 3. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

The expense of the election of the office of county school superintendent shall be paid by the fiscal court.

SECTION 4. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

No election officer or other person within a polling place shall tell or indicate to a voter the political affiliation of any candidate for the office of county school superintendent.

SECTION 5. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

The county board of education shall fix the salary of the county school superintendent prior to his election at a rate of not less than $12,000 per annum to be paid in equal monthly installments.

SECTION 6. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

Any superintendent of schools in a county district may be removed for cause by a vote of the majority of the members of the board of education of the district. Written notice setting out the charges for removal shall be spread on the minutes of the board and given to the superintendent at least fifteen days before action is taken on the removal.

Section 7. KRS 118.305 is amended to read as follows:

(1) Except as provided in KRS 118.345, and subject to the provisions of subsections (2) and (3) of this section, the county clerk of each county shall cause to be printed for the voting machines and on the special ballots for the regular election the names of the following persons:

(a) Candidates of a political party, as defined in KRS 118.015, who have received certificates of nomination at the preceding primary election, or certificates of nomination under KRS 118.185, and whose certificates of nomination have been filed with the secretary of state or the appropriate county clerk.

(b) Candidates of a political party, as defined in KRS 118.015, who have been nominated for an unexpired term in a manner determined by the governing authority of the party, as provided in KRS 118.115, and whose evidences of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(c) Candidates of a political party, as defined in KRS 118.015, who have been nominated by the governing authority of the party to fill a vacancy in the candidacy of a person nominated at the preceding primary election, as provided in KRS 118.105, and whose certificates of nomination have been filed with the secretary of state or the appropriate county clerk, in sufficient time before the regular election to enable their names to be printed for the voting machines and on the special ballots at the time they are required to be printed.

(d) Candidates who have been nominated by a political organization as provided in KRS 118.325 and whose certificates or petitions of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(e) Candidates who have been nominated by petition as provided in KRS 118.315, and whose petitions of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(f) Candidates for president and vice-president of the United States, of those political parties and organizations who have nominated presidential electors as provided in KRS 118.325, where the certificate of nomination of such electors has been filed with the secretary of state within the time prescribed in this chapter.

(g) Candidates for soil and water district supervisors who have been nominated by petition as provided in KRS 262.210.

(2) Candidates for *school superintendent of county school districts and for* members of boards of education shall have their names printed on ballot labels and special ballots for the regular election only after filing as provided in KRS 160.220 *and subsection (2) of Section 2 of this Act.*

(3) Except as provided in KRS 118.105 and 118.115, the name of no candidate shall be printed upon the ballot labels and special ballots for any regular election as the nominee of any political party, as defined in KRS 118.015, or under the emblem of any political party, as so defined, except those candidates who have been duly and regularly nominated as nominees of that party at a primary election held as provided in this chapter.

(4) No county clerk shall knowingly cause to be printed, upon the ballot labels or special ballot for any regular election, the name of any candidate of a political party, as defined in KRS 118.015, who has not been nominated in the manner provided in the primary election laws.

Section 8. KRS 160.350 is amended to read as follows:

Each board of education *of independent school districts* shall appoint a superintendent of schools whose term of office shall begin on July 1, following his appointment. The appointment may be for a term of one (1), two (2), three (3) or four (4) years. The board shall fix the salary of the superintendent at not less than $1,200 per annum, to be paid in monthly instalments. In the case of a vacancy in the office for an unexpired term, the board of education shall make the appointment so that the term will end on June 30. Before any superintendent assumes his duties he shall present to the board of education that elected him a statement signed by the superintendent of public instruction that he has been duly issued a certificate of administration and supervision issued in accordance with the provisions of law and which qualifies him to hold the position to which he has been elected, and he shall hold such certificate throughout the period of his employment. A superintendent of schools may be removed for cause by a vote of four-fifths (4/5) of the membership of a board of education. Written notice setting out the charges for removal shall be spread on the minutes of the board and given the superintendent fifteen (15) days before action is taken on his removal.

Section 9. KRS 160.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 160.250 *or Section 4 of this Act* shall be fined not more than two hundred dollars ($200).

(2) Any person who violates any of the provisions of KRS 160.300 shall be fined not less than ten (10) nor more than fifty dollars ($50.00).

(3) Any superintendent who violates any of the provisions of KRS *160.370* [160.350] to 160.400 shall be fined not less than one hundred (100) nor more than one thousand dollars ($1,000) for each offense, and the violation is grounds for revocation of his certificate.

(4) Any superintendent who violates any of the provisions of KRS 160.420 shall be fined not less than one hundred (100) nor more than one thousand dollars ($1,000) for each offense.

(5) Any person who violates any of the provisions of KRS 160.550 shall be fined not less than fifty (50) nor more than one hundred dollars ($100), and shall be subject to removal from office.

Section 10. KRS 160.180 is amended to read as follows:

(1) No person shall be eligible to membership on a board of education:

(a) Unless he has attained the age of twenty-four (24) years; and

(b) Unless he has been a citizen of Kentucky for at least three (3) years preceding his election and is a voter of the district for which he is elected; and

(c) Unless he has completed at least the *twelfth* [eighth] grade in the common schools as shown by the records of the school in which the *twelfth* [eighth] grade was completed or by affidavits of the teacher or teachers under whom the work was completed, or unless he has the equivalent of *a twelfth* [an eighth] grade education as determined by an examination held under rules and regulations adopted by the state board of education; or

(d) Who holds a state office requiring the constitutional oath or is a member of the general assembly; or

(e) Who holds or discharges the duties of any civil or political office, deputyship or agency under the city or county of his residence; or

(f) Who, at the time of his election, is directly or indirectly interested in the sale to the board of books, stationery or any other property, materials, supplies, equipment or services for which school funds are expended; or

(g) Who has been removed from membership on a board of education for cause.

(2) If, after the election of any member of the board, he becomes interested in any contract with or claims against the board, of the kind mentioned in paragraph (f) of subsection (1) of this section, or becomes a candidate for nomination or election to any office or agency the holding and the discharging of the duties of which would have rendered him ineligible before election, or if he moves his residence from the district for which he was chosen, or if he does anything that would render him ineligible for re-election, he shall be subject to removal from office pursuant to KRS 415.050 and 415.060.

(3) A board member shall be eligible for re-election unless he becomes disqualified.

(4) No member of a board of education shall vote regarding the appointment or employment in any capacity of any person related to him as father, mother, brother, sister, husband, wife, son, daughter, nephew, niece, aunt, uncle, son-in-law, daughter-in-law or first cousin, and the majority vote of the remainder of the board is required in case of appointment or employment of such person.

Section 11. KRS 161.720 is amended to read as follows:

(1) The term "teacher" for the purpose of KRS 161.720 to 161.810 shall mean any person for whom certification is required as a basis of employment in the public schools of the state with the exception of the superintendent.

(2) The term "year" as applied to terms of service means actual service of not less than seven (7) school months within a school year; Provided, however, That any board of education may grant a leave of absence for professional advancement with full credit for service.

(3) The term "limited contract" shall mean a contract for the employment of a teacher for a term of one (1) year only or for that portion of the school year that remains at the time of employment.

(4) The term "continuing service contract" shall mean a contract for the employment of a teacher which shall remain in full force and effect until the teacher resigns or retires, or reaches the age of 65, or until it is terminated or suspended as provided in KRS 161.790 and 161.800.

(5) The term "continuing status" means employment of a teacher under a continuing contract.

(6) The term "standard" or "college" certificate for the purpose of KRS 161.720 to 161.810 shall mean any certificate issued upon the basis of graduation from a standard four (4) year college.

(7) The term "superintendent" for the purpose of KRS 161.765 shall mean the school officer *elected by the legal voters of the county school district as provided in Section 1 of this Act, or of each independent school district* appointed by a board of education under the authority of KRS 160.350 or any person authorized by law to perform the duties of that officer.

(8) The term "administrator" for the purpose of KRS 161.765 shall mean a certified employe, below the rank of superintendent, who devotes the majority of his employed time to service as a principal, assistant principal, supervisor, coordinator, director, assistant director, administrative assistant, finance officer, pupil personnel worker, guidance counselor, or school business administrator, or who holds a position in which he evaluates or supervises board employes or recommends personnel for employment or discharge. The term "administrator" shall also include those assistant, associate or deputy superintendents who do not fall within the definition of "superintendent" as set forth in KRS 161.720 (7).

(9) The terms "demote" or "demotion" for the purpose of KRS 161.765 shall mean a reduction in rank from one position on the school district salary schedule to a different position on that schedule for which a lower salary is paid. The terms shall not include lateral transfers to positions of similar rank and pay or minor alterations in pay increments required by the salary schedule.

Section 12. KRS 161.721 is amended to read as follows:

The superintendent *of independent school districts* shall be eligible for continuing contract status when he meets all requirements prescribed in KRS 161.720 to 161.810 for continuing contracts for teachers.

The Committee Substitute to **HB 557** is as follows:

Committee Substitute for **HB 557,** AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

(1) The provisions of Section 1 through 7 of this Act shall be applicable only to counties that indicate a preference to elect superintendents of county school districts in the following manner. Upon receipt by the county clerk of petition signatures of registered voters qualified to vote in that county equal to or greater in number than ten percent (10%) of the votes cast in the last regular election in that county and indicating a preference that the superintendent of the county school district be an elected official, the question of whether or not such superintendent shall be an elected official shall be placed before the people on the ballot of the next regular election. If, at that election, a majority of votes cast indicates a preference that such superintendent be an elected official, he shall subsequently be so elected as provided in this Act.

(2) Prior to the placement of the question on the ballot, the county clerk shall verify petitions received as to voter qualification status of signatures thereon and shall ensure that no signature appears more than once on any petition or petitions.

SECTION 2. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

(1) The superintendent of those county school districts eligible pursuant to Section 1 of this Act shall be elected by the legal voters of the district at the first regular November election in which local government officials are elected.

(2) The person elected to the office of county school superintendent shall take office on the first Monday in January following his election and shall hold office for a term of four years and until his successor is elected and qualified.

(3) No person shall be eligible as a candidate for the elective office of county school superintendent under this Act, who does not at the time he files his papers with the county clerk hold a statement signed by the superintendent of public instruction that he has been duly issued a certificate of administration and supervision issued in accordance with the provisions of law and which qualifies him to hold the office to which he aspires. The elected county school superintendent shall hold such a certificate throughout his term of office.

(4) When a vacancy occurs in the office of county school superintendent, the board of education in the county school district shall appoint a person who meets the qualifications of subsection (3) of this section to the office for the unexpired part of the term only.

SECTION 3. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

(1) All elections for county school superintendent shall be by voting machine. The ballot label shall be in the form prescribed by the general election law, except that no party emblem or other distinguishing mark which indicates the political affiliation of any candidate shall be placed upon the ballot label; provided, however, that "school ballot" shall be at the head of the ballot label.

(2) The county clerk shall cause to be printed on the ballot label the names of all eligible candidates who have filed a petition as provided in KRS 118.315. The order in which the names of the candidates are to be printed on the ballot label shall be determined by lot.

SECTION 4. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

The expense of the election of the office of county school superintendent shall be paid by the fiscal court.

SECTION 5. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

No election officer or other person within a polling place shall tell or indicate to a voter the political affiliation of any candidate for the office of county school superintendent.

SECTION 6. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

The county board of education shall fix the salary of the county school superintendent prior to his election at a rate of not less than $12,000 per annum to be paid in equal monthly installments.

SECTION 7. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

Any elected superintendent of schools in a county district may be removed for cause by a vote of the majority of the members of the board of education of the district. Written notice setting out the charges for removal shall be spread on the minutes of the board and given to the superintendent at least fifteen days before action is taken on the removal.

Section 8. KRS 118.305 is amended to read as follows:

(1) Except as provided in KRS 118.345, and subject to the provisions of subsections (2) and (3) of this section, the county clerk of each county shall cause to be printed for the voting machines and on the special ballots for the regular election the names of the following persons:

(a) Candidates of a political party, as defined in KRS 118.015, who have received certificates of nomination at the preceding primary election, or certificates of nomination under KRS 118.185, and whose certificates of nomination have been filed with the secretary of state or the appropriate county clerk.

(b) Candidates of a political party, as defined in KRS 118.015, who have been nominated for an unexpired term in a manner determined by the governing authority of the party, as provided in KRS 118.115, and whose evidences of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(c) Candidates of a political party, as defined in KRS 118.015, who have been nominated by the governing authority of the party to fill a vacancy in the candidacy of a person nominated at the preceding primary election, as provided in KRS 118.105, and whose certificates of nomination have been filed with the secretary of state or the appropriate county clerk, in sufficient time before the regular election to enable their names to be printed for the voting machines and on the special ballots at the time they are required to be printed.

(d) Candidates who have been nominated by a political organization as provided in KRS 118.325 and whose certificates or petitions of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(e) Candidates who have been nominated by petition as provided in KRS 118.315, and whose petitions of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(f) Candidates for president and vice-president of the United States, of those political parties and organizations who have nominated presidential electors as provided in KRS 118.325, where the certificate of nomination of such electors has been filed with the secretary of state within the time prescribed in this chapter.

(g) Candidates for soil and water district supervisors who have been nominated by petition as provided in KRS 262.210.

(2) Candidates for *school superintendent of county school districts eligible pursuant to Section 1 of this Act and for* members of boards of education shall have their names printed on ballot labels and special ballots for the regular election only after filing as provided in KRS 160.220 *and subsection (2) of Section 3 of this Act.*

(3) Except as provided in KRS 118.105 and 118.115, the name of no candidate shall be printed upon the ballot labels and special ballots for any regular election as the nominee of any political party, as defined in KRS 118.015, or under the emblem of any political party, as so defined, except those candidates who have been duly and regularly nominated as nominees of that party at a primary election held as provided in this chapter.

(4) No county clerk shall knowingly cause to be printed, upon the ballot labels or special ballot for any regular election, the name of any candidate of a political party, as defined in KRS 118.015, who has not been nominated in the manner provided in the primary election laws.

Section 9. KRS 160.350 is amended to read as follows:

Each board of education *of school districts in which the position of superintendent is not a popularly elective office* shall appoint a superintendent of schools whose term of office shall begin on July 1, following his appointment. The appointment may be for a term of one (1), two (2), three (3) or four (4) years. The board shall fix the salary of the superintendent at not less than $1,200 per annum, to be paid in monthly instalments. In the case of a vacancy in the office for an unexpired term, the board of education shall make the appointment so that the term will end on June 30. Before any superintendent assumes his duties he shall present to the board of education that *appointed* [elected] him a statement signed by the superintendent of public instruction that he has been duly issued a certificate of administration and supervision issued in accordance with the provisions of law and which qualifies him to hold the position to which he has been *appointed* [elected], and he shall hold such certificate throughout the period of his employment. A superintendent of schools may be removed for cause by a vote of four-fifths (4/5) of the membership of a board of education. Written notice setting out the charges for removal shall be spread on the minutes of the board and given the superintendent fifteen (15) days before action is taken on his removal.

Section 10. KRS 160.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 160.250 *or Section 5 of this Act* shall be fined not more than two hundred dollars ($200).

(2) Any person who violates any of the provisions of KRS 160.300 shall be fined not less than ten (10) nor more than fifty dollars ($50.00).

(3) Any superintendent who violates any of the provisions of KRS *160.370* [160.350] to 160.400 shall be fined not less than one hundred (100) nor more than one thousand dollars ($1,000) for each offense, and the violation is grounds for revocation of his certificate.

(4) Any superintendent who violates any of the provisions of KRS 160.420 shall be fined not less than one hundred (100) nor more than one thousand dollars ($1,000) for each offense.

(5) Any person who violates any of the provisions of KRS 160.550 shall be fined not less than fifty (50) nor more than one hundred dollars ($100), and shall be subject to removal from office.

Section 11. KRS 161.720 is amended to read as follows:

(1) The term "teacher" for the purpose of KRS 161.720 to 161.810 shall mean any person for whom certification is required as a basis of employment in the public schools of the state with the exception of the superintendent.

(2) The term "year" as applied to terms of service means actual service of not less than seven (7) school months within a school year; Provided, however, That any board of education may grant a leave of absence for professional advancement with full credit for service.

(3) The term "limited contract" shall mean a contract for the employment of a teacher for a term of one (1) year only or for that portion of the school year that remains at the time of employment.

(4) The term "continuing service contract" shall mean a contract for the employment of a teacher which shall remain in full force and effect until the teacher resigns or retires, or reaches the age of 65, or until it is terminated or suspended as provided in KRS 161.790 and 161.800.

(5) The term "continuing status" means employment of a teacher under a continuing contract.

(6) The term "standard" or "college" certificate for the purpose of KRS 161.720 to 161.810 shall mean any certificate issued upon the basis of graduation from a standard four (4) year college.

(7) The term "superintendent" for the purpose of KRS 161.765 shall mean the school officer *elected by the legal voters of an eligible county school district as provided in Section 1 of this Act, or of each school district* appointed by a board of education under the authority of KRS 160.350 or any person authorized by law to perform the duties of that officer.

(8) The term "administrator" for the purpose of KRS 161.765 shall mean a certified employe, below the rank of superintendent, who devotes the majority of his employed time to service as a principal, assistant principal, supervisor, coordinator, director, assistant director, administrative assistant, finance officer, pupil personnel worker, guidance counselor, or school business administrator, or who holds a position in which he evaluates or supervises board employes or recommends personnel for employment or discharge. The term "administrator" shall also include those assistant, associate or deputy superintendents who do not fall within the definition of "superintendent" as set forth in KRS 161.720 (7).

(9) The terms "demote" or "demotion" for the purpose of KRS 161.765 shall mean a reduction in rank from one position on the school district salary schedule to a different position on that schedule for which a lower salary is paid. The terms shall not include lateral transfers to positions of similar rank and pay or minor alterations in pay increments required by the salary schedule.

Section 12. KRS 161.721 is amended to read as follows:

The superintendent *of school districts in which that position is not a popularly elective office* shall be eligible for continuing contract status when he meets all requirements prescribed in KRS 161.720 to 161.810 for continuing contracts for teachers.

The Committee Title Amendment to the Committee Substitute to **HB 557** is as follows:

Amend printed copy of Committee Substitute for **HB 557,** title, after "relating to" delete "education" and insert in lieu thereof "election of school superintendents"

The Committee on Education reported **HB 910, SB 195** with Committee Amendments attached thereto, **SB 341,** and **SB 174** with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 910, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.390 is amended to read as follows:

(1) (a) The superintendent of public instruction, under Kentucky administrative regulations of the state board for elementary and secondary education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree in a subject field approved by the state board for elementary and secondary education or equivalent preparation and who have earned thirty (30) semester hours of approved graduate work or its equivalent, and those teachers who, as of September 1, 1962, were included in Rank I, having earned twenty-four (24) semester hours of additional approved graduate work.

Rank II. Those holding regular certificates and who have a master's degree in a subject field approved by the state board for elementary and secondary education or equivalent preparation.

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent.

Rank IV. Those holding certificates and who have ninety-six (96) to one hundred twenty-eight (128) semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank for calculation of the amount to be included in the foundation program.

Rank V. Those holding certificates and who have sixty-four (64) to ninety-five (95) semester hours of approved college training or the equivalent.

(b) In determining ranks, the superintendent of public instruction, under Kentucky administrative regulations of the state board for elementary and secondary education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The superintendent of public instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industrial experience.

(c) Nothing in this subsection shall allow the state board for elementary and secondary education by regulation to reclassify downward any teachers currently in Ranks I or II.

(2) (a) The amount to be included in each school year in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the

number of classroom units allowed, by the amount set forth in the biennial budget schedule for each rank and experience for a term of one hundred eighty-five (185) days. Provided, the amount to be included for units allotted under KRS 157.360(5), (7), (8), (9) and (11) shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the superintendent of public instruction under Kentucky administrative regulations of the appropriate state board. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

(b) The state board for elementary and secondary education with the recommendation of the superintendent of public instruction, may designate local school districts as experimental districts for the utilization as classroom units para-professionals and teacher aides under KRS 157.360(2). In experimental districts, foundation program fund calculations shall include, with respect to one or more schools in the district, an amount for para-professionals and teacher aides. This amount may be equal to a maximum of fifty percent (50%) of the amount included for a teacher in Rank III with no experience but may not exceed the salary paid the para-professional or teacher aide, multiplied by the number of approved para-professionals and teacher aides employed in the designated school or schools.

(c) Such amounts may be included only for those who are not in sole and principal charge of a class. No district may receive foundation program funds for such number of para-professionals and teacher aides referred to in paragraph (b) of this subsection as exceeds one-half (½) the number of certificated teachers ~~in the designated school or schools~~.

(d) In the calculation of classroom units for the purpose of allocation of teachers' salaries only, the state board for elementary and secondary education may use a ratio greater than twenty-seven (27) to one (1) for such calculations regarding the experimental districts designated pursuant to paragraph (b) of this subsection.

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by the amounts set forth in the biennial budget.

(4) The amount to be included in the foundation program for capital outlay shall be *computed in two parts as follows:*

(a) Each district shall receive an amount equal to [determined by multiplying] the number of classroom units *multiplied* by the amounts set forth in the biennial budget.

(b) A restricted capital outlay building fund shall be established as a part of the foundation programs for the purposes of:

1. Assisting qualified school districts in the construction of new school facilities and the renovation of existing school facilities; and

2. The construction of state-owned facilities operated by the department of education.

Districts eligible to receive funds through the restricted capital outlay building fund shall be identified as set forth in subsection (4) of this section.

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total amount of money distributable to each district from the public school foundation program fund shall be the sum of the allotments in subsections (2), (3), (4) and (5) of this section.

Section 2. KRS 157.410 is amended to read as follows:

For each school year the executive department for finance and administration, on the certification of the superintendent of public instruction, shall draw warrants as specified hereinafter on the state treasurer for the amount of the public school foundation program fund due each district. Checks shall be issued by the state treasurer and transmitted to the department of education for distribution to the proper officials of the several school districts when the districts have fully complied with the school laws and Kentucky administrative regulations of the state board for elementary and secondary education. The superintendent of public instruction shall determine on or before August 15 of each year the tentative allotment of school funds to which each district is entitled under the provisions of KRS 157.310 to 157.440. On July 1, August 1, and September 1, of each fiscal year, one-twelfth of the prior year's allotment minus the capital outlay shall be paid each school district. On the first of each month thereafter until the final calculation is completed, one-twelfth of each district's share of the tentative calculation for instructional salaries, current expenses, and transportation of the public common school foundation program fund shall be distributed. On or before May 1 of each year the superintendent of public instruction shall determine the exact amount of the public common school foundation program fund to which each district is entitled and the remainder of the amount due each district for the year shall be distributed in equal installments beginning the first month after completion of final calculation and for each successive month thereafter. Capital outlay, *as provided by KRS 157.390(4)(a),* shall be made in two payments. The first, on or before October 1, shall be one-half of the amount calculated on the tentative allocation for capital outlay. The balance due shall be paid on or before May 1. *The restricted* *capital outlay building funds provided by KRS 157.390(4)(b) shall be distributed as provided in Section 4 of this Act.*

Section 3. KRS 157.420 is amended to read as follows:

Public school foundation program funds made available to the credit of each district during any year, shall be received, held and expended by the district board, subject to the provisions of law and Kentucky administrative regulations of the state board for elementary and secondary education. The following restrictions shall govern the expenditure of funds from the public school foundation program fund:

(1) The teachers' salaries allotment for each district from the public school foundation program fund and from local sources shall be used only for teachers holding properly authorized certificates. The average salary paid any rank of teachers shall be at least equivalent to the amount set forth in the biennial budget schedule for each rank and experience for a term of one hundred eighty-five (185) days and no teacher shall be paid less than ninety-three percent (93%) of the public school foundation program fund allotment for that rank for full-time service during the regular school year or the allotment under KRS 157.390(2) shall be reduced by an amount equal to the amount by which the district failed to meet the salary requirements.

(2) The state board for elementary and secondary education shall not approve any working budget or salary schedule summary for local boards of education for any school year in which the total amount for one hundred eighty-five (185) days on the salary schedule summary for foundation program instructional salaries is not equal to (a) the amount for one hundred eighty-five (185) days on the district's salary schedule summary for foundation program instructional salaries the preceding year plus (b) the additional amount for instructional salaries to be received by the district under the biennial budget schedule for a one hundred eighty-five (185) day school term by assuming the same classroom units and rank and experience of teachers in the current year as in the preceding year.

(3) The capital outlay allotment *specified in KRS 157.390(4)(a)* for each district from the public school foundation program fund and from local sources shall be kept in a separate fund and may be used by the district only for capital outlay projects approved by the superintendent of public instruction in accordance with requirements of law, and based on a survey made in accordance with Kentucky administrative regulations of the state board for elementary and secondary education. These funds shall be used for the following capital outlay purposes:

(a) For direct payment of construction costs;

(b) For debt service on voted and funding bonds;

(c) For payment or lease-rental agreements under which the board eventually will acquire ownership of a school plant;

(d) For the retirement of any deficit resulting from over-expenditure for capital construction, if such deficit resulted from an emergency declared by the state board for elementary and secondary education under KRS 160.550;

(e) As a reserve fund for the above-named purposes, to be carried forward in ensuing budgets; provided, however, if any district has a special levy for capital outlay or debt service that is equal to the capital outlay allotment or a proportionate fraction thereof, and spends the proceeds of that levy for the above-named purposes, the superintendent of public instruction under Kentucky administrative regulations of the state board for elementary and secondary education, may authorize the district to use all or a proportionate fraction of its capital outlay allotment for current expenses.

(4) If a survey shows that a school district has no capital outlay needs as shown in paragraphs (a), (b), (c), and (d) of subsection (3) of this section, upon approval of the superintendent of public instruction, these funds may be used for school plant maintenance, repair, insurance on buildings, replacement of equipment and purchase of school buses.

SECTION 4. A NEW SECTION OF KRS CHAPTER 162 IS CREATED TO READ AS FOLLOWS:

(1) A preliminary priority listing of districts eligible for participation in the restricted capital outlay building fund established in KRS 157.390 shall be developed on the basis of need as indicated by an application for assistance submitted to the department of education by the district. However, any district with a bonding capacity, based on the accumulated capital outlay allotment and any uncommitted special voted building fund tax with a ten percent (10%) safety factor, sufficient to fund the top priority need as shown by the facility survey shall not be eligible to apply. No district shall be eligible to submit an application for assistance until the following conditions have been met:

(a) The district must have levied at least the maximum general fund tax allowed not subject to recall under KRS 160.470;

(b) The district must be eligible for full participation in the power equalization fund as provided by KRS 157.565;

(c) Taxes levied to meet the requirements of this section must have any recall provisions satisfied and the tax must have become effective prior to submission of an application for assistance by the district.

(2) Districts not meeting the requirements of (1)(a), (b), and (c) of this subsection shall not be included in the ranking of districts and shall not be eligible for participation until those requirements have been met.

(3) All applications for assistance must be received by January 1 of the year in which assistance is requested. Applications received after January 1 will not be considered. Within sixty (60) days of the closing date, the department of education shall develop the preliminary priority listing for new construction based on the following criteria:

(a) 1. Existing square feet per student shall mean the total available square feet in the priority project that have been classified as good or better in the facility survey divided by the number of pupils served in that facility;

2. Existing square feet per student shall be compared to the following standard square feet per student: elementary: 90 square feet per pupil (first 500), 80 square feet per pupil (all over 500); junior high: 100 square feet per pupil (first 500), 90 square feet per pupil (all over 500); secondary: 110 square feet per pupil (first 500), 100 square feet per pupil (all over 500);

3. Determine difference between standard square feet per student and existing square feet per student;

4. Allow five (5) points for each square foot by which the standard exceeds the existing square feet.

(b) Construction costs per student shall be computed as follows:

1. Determine the total square feet to be constructed, the state average construction costs per square foot, and the average daily attendance at the end of the previous year;

2. Cost per student equals total square feet multiplied by state average construction costs divided by average daily attendance;

3. Rank districts from low to high. Each district receives points equal to that district's rank. (Lowest cost per student equals 1 point.)

(c) The total points computed in (a) and (b) shall determine each district's ranking. The district with the largest total points will be ranked first.

(4) Districts with the highest preliminary priority rank shall receive an on-site evaluation by a department of education facilities survey team to verify the application data. Each district's application data shall be altered by any deviation identified by the survey. A new priority list shall be developed by applying the criteria specified in subsection (2) to the verified data.

SECTION 5. A NEW SECTION OF KRS CHAPTER 162 IS CREATED TO READ AS FOLLOWS:

(1) Each restricted capital outlay building fund unit established by KRS 157.390 shall be for $10,000. The total cost of the project less the amount that can be financed through the district's bonding capacity, based on the accumulated capital outlay allotment and any uncommitted special voted building fund tax with a ten percent (10%) safety factor, shall be divided by 10,000 to determine the number of restricted capital outlay units a district may receive. Subject to the limitation of funds provided in the biennial budget, the district ranked first shall receive sufficient funding to complete its first priority need. The first priority need of the district ranked second shall then move to the top of the ranking for funding. Districts shall continue to move up in rank as first priority needs are funded.

(2) All bonds issued under the authority of this subsection shall be issued by the district under the provisions of KRS 162.140 and shall become obligations of the issuing district.

(3) Not less than ten (10) days prior to any redemption date, funds from the state's restricted capital outlay fund shall be transferred to the district's bond redemption account for payment of the state's share of the obligation.

(4) Nothing in this act shall affect a district's authority to issue bonds as provided in KRS Chapter 162.

SB 195, AN ACT relating to the Kentucky higher education assistance authority.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 164.753 is amended to read as follows:

(1) In the instance of loans the rules and regulations adopted by the board may include, but not be limited to, those which:

(a) Are necessary to qualify the authority as an insured lender under the higher education act of 1965, as amended;

(b) Require that loans be made only to those qualified students who are unable to secure comparable loans from private lenders; and

(c) Are necessary to qualify the authority as a lender under the public health service act, as amended.

(2) In the instance of insured student loans and loan guarantees the rules and regulations adopted by the board shall include, but not be limited to, those which are necessary to qualify the authority to insure loans under the higher education act of 1965, as amended, and following such qualification to issue loan guarantees to eligible lenders on any loans advanced by such lenders to qualified students attending or planning to attend any eligible institution, except that the total amount of all insured student loans that may be guaranteed by the authority shall not at any time exceed fifteen (15) times the loan guarantee fund balance. In determining the total amount of insured student loans that may be guaranteed by the authority there shall be excluded from the computation of required loan guarantee fund balances eighty percent (80%) of the amount of insured student loans which are reinsured with the United States or any agency thereof pursuant to the federal act.

(3) In the instance of scholarships the rules and regulations adopted by the board shall include, but not be limited to, those which:

(a) Specify ways in which superior academic achievement or ability or special talents will be identified and measured;

(b) Ensure that the amount of scholarship to a student attending or planning to attend an educational institution will not exceed the financial need of the student as determined in accordance with paragraph (f) of this subsection, or the maximum scholarship as established by the board, whichever is less;

(c) Restrict scholarships to persons who are classified as resident students under the rules and regulations of the council on higher education and are not planning to enroll or are not enrolled in a course of study leading to a certificate, diploma or degree in theology, divinity or religious education; and

(d) Ensure that scholarships are awarded only to eligible students who have applied for such federal, state or institutional student financial assistance programs as the authority may require; and

(e) Ensure that scholarships are awarded only to eligible students who are planning to enroll, accepted for enrollment, or are enrolled as full-time students in an educational institution; and,

(f) Ensure, by such needs analysis as the authority may require, that the person is in need of the assistance in order to enroll in or complete an eligible course of study as defined by the board.

(4) In the instance of grants the rules and regulations adopted by the board shall include, but not be limited to, those which:

(a) Ensure that the amount of a grant to a student will not exceed the financial need of the student as determined in accordance with paragraph *(e)* [(f)] of this subsection or the maximum grant as established by the board, whichever is less;

(b) [Ensure that grants be first offered to those students whose parents or others in loco parentis have the least ability to provide monetary assistance and thereafter in the order of the ability of the parents or others in loco parentis to provide monetary assistance proceeding from those with the least ability to provide monetary assistance to those with the greatest ability to provide monetary assistance until funds are exhausted;

(c)] Restrict grants to persons who are classified as resident students under the rules and regulations of the council on higher education and are not planning to enroll or are not enrolled in a course of study leading to a certificate, diploma or degree in theology, divinity or religious education; and

(c)[(d)] Ensure that grants are awarded only to eligible students who have applied for such federal, state, or institutional student financial assistance programs as the authority may require;

(d)[(e)] Ensure that grants are awarded only to eligible students who are planning to enroll, accepted for enrollment, or are enrolled as full-time students in an educational institution; and,

(e)[(f)] Ensure, by such needs analysis as the authority may require, that *grants be made only to students who have insufficient financial resources* [the student is in need of the assistance in order] to enroll in or complete an eligible course of study as defined by the board.

(5) Funds appropriated to the financial assistance program established by KRS 164.780 and 164.785 shall be administered by the board in accordance with the provisions of KRS 164.780 and 164.785.

(6) In the instance of work-study payments, rules and regulations adopted by the board shall include, but not be limited to, those which require that:

(a) [The student be eligible under the provisions of title I, part C, of the economic opportunity act of 1964, as amended;

(b)] The [educational institution have an eligible] employment opportunity available for the student [and that the opportunity] will not interfere with the student's normal progress toward a degree, diploma or certificate;

(b)[(c)] *Contracts to promote increased employment opportunities for eligible students* [That the employment of the student] will not result in the displacement of employed workers or impair existing contracts for services; and

(c)[(d)] The work-study payment will not exceed the financial need of the student or the maximum payment as established by the board, whichever is less.

The Committee Amendment No. 1 to **SB 195** is as follows:

Amend printed copy of **SB 195,** page 5, line 22, insert the following:

"Section 2. KRS 164.320 is amended to read as follows:

(1) The board of regents for Eastern Kentucky University, Morehead State University, Murray State University, Western Kentucky University, Kentucky State University and Northern Kentucky University shall each consist of eight (8) members appointed by the governor, one (1) member of the teaching faculty, and one (1) member of the student body of the respective university or college, *and one (1) member of the staff at Murray State University*. The members of the board shall select a chairman annually.

(2) The terms of appointed members shall be for four (4) years, and until their successors are appointed and qualified. Such appointments shall be made by the governor within thirty (30) days after the expiration of the term of each member. If the governor should fail to make any such appointment within thirty (30) days after the expiration of the term of any member, the remaining members of the board of regents of the particular university or college whose terms shall not have expired, shall make such appointment within sixty (60) days after the expiration of such term.

(3) Not more than two (2) appointed members of any board shall be residents of one (1) county; nor more than four (4) of the appointed members of any board shall belong to the same political party. Membership on the board shall not be incompatible with any other state office.

(4) Appointments to fill vacancies shall be made in the same manner and within the same time after the occurrence of the vacancy as regular appointments. The person appointed shall hold the position for the unexpired term only.

(5) Each appointed member of the board shall, at the first meeting following his appointment, take an oath to faithfully discharge his duties.

(6) Each member of the board shall serve for the term for which he is appointed and until his successor is appointed and qualified.

(7) The faculty member shall be a teaching or research member of the faculty of his respective university or college of the rank of assistant professor or above. He shall be elected by secret ballot by all faculty members of his university or college of the rank of assistant professor or above. The faculty member shall serve for a term of three (3) years and until his successor is elected and qualified. The faculty member shall be eligible for re-election, but he shall not be eligible to continue to serve as a member of such board if he ceases being a member of the teaching staff of the university or college. Elections to fill vacancies shall be for the unexpired term in the same manner as provided for original election.

(8) The student member shall be the president of the student body of the university or college on whose board of regents he is to serve. If the president of the student body is not a full-time student who maintains permanent residency in the Commonwealth of Kentucky, a special election shall be held to select a full-time student who does maintain permanent residency in this Commonwealth as the student member.

(9) The staff member at Murray State University shall be a non-teaching employe of the university who has permanent employe status. He shall be elected by secret ballot by all staff members of his respective university. The staff member shall serve for a term of three (3) years and until his successor is elected and qualified. The staff member shall not be eligible to continue to serve as a member of such board if he ceases being a member of the staff of his university. Elections to fill vacancies shall be for the unexpired term in the same manner as provided for original elections. The staff member shall have the right to vote on all matters except that of staff compensation."

The Committee Amendment (Title) to **SB 195** is as follows:

Amend printed copy of **SB 195,** title, by deleting the words "the Kentucky" and the words "assistance authority"

SB 341, AN ACT relating to exceptional children.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.200 is amended to read as follows:

(1) "Exceptional children" means persons under twenty-one (21) years of age who differ in one or more respects from average or normal children in physical, mental, learning, emotional or social characteristics and abilities to such a degree that they need special educational programs or services for them to benefit maximally from the regular or usual facilities or educational programs of the public schools in the districts in which they reside[; or, those children who, because of their intellectual or creative abilities or potentialities, require special educational programs or services. These children include, but are not limited to, those children hereafter described in this section as well as the neurologically impaired, visually impaired, hearing impaired and the retarded]. The department of education, through regulations indorsed by the state board for elementary and secondary education, shall interpret the statutory definitions of exceptionality. An exceptionality is any trait so defined in this section or stipulated in the regulations of the state department of education. Requirements of average daily attendance for exceptional classes will be regulated by statute, or in the absence of such direction by departmental regulations indorsed by the state board for elementary and secondary education. Categories of exceptionalities included within, but not limited by, this definition are as follows:

(a) "Physically handicapped [children]" means [children who suffer from] any physical disability *which makes* [making] it impracticable or impossible [for them] to benefit from or participate [on a full-time basis] in the normal classroom program [of the public schools in the school district in which they reside and whose intellectual development is such that they are capable of being educated through a modified educational program];

(b) *"Communication disorder" means a disorder in hearing, language, or speech which adversely affects educational performance* ["Children with communication disorders" means those children who evidence disorders in hearing, language, or speech];

(c) *"Mentally handicapped" means retarded intellectual development, as determined by recognized standardized tests and assessment of adaptive behavior, which adversely affects a child's educational performance* ["Educable mentally handicapped children" means children who because of retarded intellectual development, as determined by recognized standardized tests, are incapable of being educated profitably and efficiently through ordinary classroom instruction but whose intellectual ability would indicate a degree of scholastic attainment with the benefit of special educational methods, materials, and facilities;

(d) "Trainable mentally handicapped children" are mentally handicapped children who, because of retarded intellectual development, are incapable of being educated properly and efficiently through ordinary classroom instruction or special education facilities for educable mentally handicapped children, but who may be expected to benefit from training in a group setting designed to further their social adjustment and economic usefulness];

(d)[(e)] *"Specific learning disability" means* ["Children with learning disabilities" are those children who have] a disorder in one or more of the basic psychological processes involved in understanding or using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations. [Such disorders include such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia.] *The* [Such] term does not include [children who have] learning problems which are primarily the result of visual, hearing, or motor handicaps, of mental retardation, of emotional disturbance, or of environmental, *cultural or economic* disadvantage;

(e)[(f)] *"Emotional disturbance (behavior disorder)"* ["Emotionally disturbed children"] means *a condition in which* [those children who exhibit] a variety of excessive chronic, deviant, inappropriate, persistent behaviors *are exhibited which adversely affect a child's educational performance* [ranging from impulsive and aggressive to depressive and withdrawal acts which cause the child's placement to be detrimental to his educational progress, dangerous to his health or safety, or disruptive to the program for other children];

(f)[(g)] "Multiple handicapped [children]" *means* [are those children who have] a combination of two or more moderate to profound handicaps which produce serious learning, developmental, or behavioral/emotional problems. These handicaps prohibit or seriously limit progress in a regular or special education program designed to accommodate children with a single handicap[;

(h) "Intellectually gifted or talented children" means children who possess demonstrated abilities or measured potential that provides evidence of high performance capability in areas such as intellectual or creative ability who need special education services in order to realize these potentialities].

(2) "Special *education* [educational facilities]" means *specially designed instruction to meet the unique needs of a handicapped child* [special schools, special classes, and special instruction].

(3) *"Special educational facilities" means physical facilities designed or adapted to meet the needs of exceptional children and approved according to regulations promulgated by the state board for elementary and secondary education.*

(4) "Related services" means *such developmental, corrective and other supportive services as are required to assist a handicapped child to benefit from special education, and may include, but are not limited to, psychological services, physical and occupational therapy, physical education, identification and assessment of disabilities, counseling services and medical services for diagnostic or evaluation purposes* [those educational services for the exceptional child and his family that ordinarily cannot be delivered through the public educational system].

Section 2. KRS 157.220 is amended to read as follows:

(1) The state department of education is hereby designated as the agency for cooperation with the state and federal governments, the *non-public school programs* [approved treatment centers] and local schools of Kentucky in carrying out the provisions of KRS 157.200 to KRS 157.280. The state board for elementary and secondary education shall make necessary rules and regulations in keeping with the provisions of KRS 157.200 to KRS 157.280 for their proper administration, including but not limited to establishment of classes, eligibility and admission of pupils, the curriculum, class size limitations, housing, special equipment and instructional supplies.

(2) The state department of education is authorized to receive contributions and donations that may be made to carry out the provisions and requirements of KRS 157.200 to KRS 157.280.

(3) Local supervision of special educational facilities for exceptional children shall be approved by the *bureau of education for exceptional children* [division of special education] according to rules and regulations approved by the state board for elementary and secondary education.

Section 3. KRS 157.221 is amended to read as follows:

(1) The state board for elementary and secondary education shall create a "bureau of education for exceptional children" in the state department of education, separate from any other existing bureau, to supervise and direct a state program for exceptional children of this Commonwealth.

(2) The state board for elementary and secondary education shall establish appropriate divisions within the bureau of education for exceptional children.

(3) The state board for elementary and secondary education, upon recommendation of the superintendent of public instruction shall adopt rules and regulations for the operation of the bureau and generally carry out the program provided for in KRS 157.200 to 157.290, 157.360, and 167.210 to 167.240.

(4) The [state board for elementary and secondary education, upon recommendation of the] superintendent of public instruction[,] shall appoint a head of the bureau and necessary assistants to carry out the work of the bureau.

Section 4. KRS 157.224 is amended to read as follows:

(1) The Commonwealth of Kentucky is committed to providing a comprehensive educational program for its exceptional school age children. The bureau of *education for* exceptional children, through KRS 157.221, coordinates, directs, and monitors that program. State direction and implementation of a statewide exceptional education program is manifested in the biennial appropriation of funds to finance a particular number of such classroom units. The rate at which new exceptional units are funded indicates the state's ability to assure a quality educational opportunity for appropriate students in existing, locally operated, exceptional class units.

(2) All county and independent boards of education shall operate special education programs to the extent required by, and pursuant to, a plan which has been approved by the state board for elementary and secondary education. If any county or independent board of education fails to operate and implement special education programs in accordance with an aforesaid plan, the application of said county or independent board of education for minimum foundation payments may be considered insufficient.

Section 5. KRS 157.230 is amended to read as follows:

(1) [If parents of as many as eight (8) trainable mentally handicapped children living in a school district desire special education classes for their children, school boards of any school district shall establish and maintain such classes, subject to any limitation specified in KRS 157.200 to 157.280 and regulations of the state board of education.

(2)] School boards of any school district [may,] subject to *the provisions of* [any limitations specified in] KRS 157.200 to 157.280, *shall* establish and maintain special educational programs for exceptional children who are residents of their school district, and such children, residents of other school districts, as may be authorized by KRS 157.240 to 157.295.

[(3) School boards of any school district may admit on preapproval and certification any physically handicapped child into special education programs at any time after the child has attained the age of three (3) years.

(4) School boards of any school district may admit on proper approval and certification any educable or trainable mentally handicapped child into special education programs at any time after the child has attained the age of six (6) years; Provided, however, That educable and trainable mentally handicapped children shall not be enrolled in the same special class.]

Section 6. KRS 157.280 is amended to read as follows:

(1) If the number of children of [compulsory] school age in one (1) classification of exceptionality in a district is not sufficient to justify a special education program for that exceptionality in that district, or if a school district does not provide a special education program for that exceptionality, the board shall provide a program by contract with another county or independent district or private organization that maintains a special education program approved by the state board for elementary and secondary education for that exceptionality, the *cost of which shall* [amount] not [to] exceed the amount designated by the state department of education for a child of that particular exceptionality. When a district or private organization undertakes, under operation of a tuition contract or of law, to provide in its classes for these pupils residing in another district, the district of residence of these pupils shall share the total cost of the special education program in proportion to the number of pupils or in accordance with contract agreement between the two (2) districts or district and private organization.

(2) The school board of the school district in which any child resides shall pay for his transportation to and from the program in the other school district or to the private organization. However, if the school board of the other district or the private organization providing the program also provides transportation, the cost of transportation shall be included in the total cost.

(3) If a child of [compulsory] school age is admitted for *resident* instruction at the Kentucky School for the Deaf or the Kentucky School for the Blind, under regulation of the state board for elementary and secondary education and under provisions of KRS 167.015 to *167.170* [167.150], the district in which the child resides shall provide transportation to and from the school on a regularly scheduled basis, at intervals of no less than once each month while the child is enrolled, either by individual district or in cooperation with other school districts on a regional basis, as approved by the state board of education upon recommendation of the superintendent of public instruction.

Section 7. KRS 157.285 is amended to read as follows:

Local boards of education may contract to provide "related services" to exceptional children [and their families] when the *appropriate* [desired] services are not available through a public or private agency.

Section 8. KRS 159.030 is amended to read as follows:

(1) The board of education of the district in which the child resides shall exempt from the requirement of attendance upon a regular public day school every child of compulsory school age:

(a) Who is a graduate from an accredited or an approved four (4) year high school; or

(b) Who is enrolled and in regular attendance in a private or parochial regular day school approved by the state board for elementary and secondary education; or

(c) Who is less than seven (7) years old and is enrolled and in regular attendance in a private kindergarten-nursery school with a permit issued pursuant to KRS 158.310.

(d) Whose physical or mental condition prevents or renders inadvisable attendance at school or application to study; or

(e) Who is enrolled and in regular attendance in state approved private or parochial school programs for exceptional children; or

(f) Who is enrolled and in regular attendance in a state supported program for exceptional children.

(2) Before granting an exemption under paragraph (d) of subsection (1) of this section the board of education shall require satisfactory evidence, in the form of a signed statement of a licensed physician, psychologist or psychiatrist, or public health officer, that the condition of the child prevents or renders inadvisable attendance at school or application to study. On the basis of such evidence the board may *exempt* [exclude] any such child from *compulsory attendance* [school]. *Any child who is excused from school attendance more than six (6) months must have two (2) signed statements from a combination of the following professional persons: a licensed physician, psychologist, psychiatrist, and health officer. Exemptions of all children under the provisions of subsection (1)(d) of this section must be reviewed annually with the evidence required being updated.*

(3) For any such child who is excluded under the provisions of subsection (1)(d), home, hospital, institutional or other regularly scheduled and suitable instruction meeting standards, rules and regulations of the state board for elementary and secondary education shall be provided.

Section 9. KRS 167.015 is amended to read as follows:

The Kentucky School for the Blind at Louisville, Kentucky and the Kentucky School for the Deaf at Danville, Kentucky, shall be managed and controlled by the state board for elementary and secondary education. The board shall have possession and the responsibility and authority for preservation, repair and control of the buildings and grounds belonging to the state and dedicated to the *schools* [school]. The board may, except as provided in KRS 45.360, sell any property held for the use and benefit of the *schools* [school], and purchase other property deemed by the board to be suitably and conveniently located, and erect buildings necessary for carrying out the purposes of the *schools* [school]. The board may adopt rules and regulations to carry into effect its powers with respect to the *schools* [school], and may require from the superintendent of the *schools* [school] any reports and information it desires as to the condition of the *schools* [school].

Section 10. KRS 167.035 is amended to read as follows:

(1) There *may* [shall] be established *a Kentucky School for the Blind advisory board and* a Kentucky School for the Deaf advisory board, *each* composed of five (5) members appointed by the *state board for elementary and secondary education upon recommendation by the superintendent of public instruction* [governor] for terms of four (4) years and until their successors are appointed. *Each* [The] board shall elect from its membership a chairman. Members of the *boards* [board] shall serve without compensation but shall be reimbursed for necessary expenses incurred in performance of their duties.

(2) *Each* [The Kentucky School for the Deaf advisory] board shall act in an advisory capacity to *assist* [the state board of education and] the superintendent in conducting the activities of the school.

Section 11. KRS 167.150 is amended to read as follows:

[(1) The state board of education may employ, fix the compensation, and prescribe and direct the duties and conduct of a superintendent, physician, matron, professors, teachers, and all other necessary agents and employes for the Kentucky School for the Blind. The board may remove at pleasure any person so employed by it. The superintendent shall be a person with at least five (5) years' experience in the education and training of the blind.

(2)] The board *for elementary and secondary education upon recommendation of the superintendent of public instruction* may prescribe *admission policies, curriculum and rules for the government and discipline of pupils who attend the Kentucky School for the Blind or the Kentucky School for the Deaf* [the course of education and rules for the government and discipline of pupils in the school,] and fix and regulate tuition fees and terms of admission of pupils into the *facilities* [institution] from other states, but no charge shall be made for the admission of pupils from this state.

Section 12. KRS 167.170 is amended to read as follows:

The state board for elementary and secondary education shall alone have the power to expel a pupil from the Kentucky School for the Blind *or the Kentucky School for the Deaf.* [No officer or employe of the school shall be permitted to inflict corporal punishment upon any of the pupils.]

Section 13. KRS 167.210 is amended to read as follows:

As used in KRS 167.210 to 167.240, unless the context otherwise requires, "deaf-blind children" *are those children who have auditory and visual impairments, the combination of which causes such severe communication, developmental and educational problems that they cannot profit satisfactorily from educational programs provided solely for the visually handicapped child or for the hearing handicapped child* [includes any child whose combination of handicaps of deafness and blindness prevents him from profiting satisfactorily from educational programs provided for the blind child or the deaf child].

Section 14. The following KRS sections are repealed:

157.240	Determination of status of child as physically or mentally handicapped.
157.295	Additional supervisors for special educational programs.
157.305	Qualification of private schools for education of exceptional children — Conditions.
159.050	Attendance of blind or deaf children at special schools.
167.025	School staff — Qualifications of superintendent.
167.090	Attendance of deaf children at school compulsory.
167.100	Children exempt from compulsory attendance.
167.110	False statement as to child's age prohibited.
167.120	Failure to send child excused when schools are full.
167.130	Public schools for deaf to receive children — Exception.
167.140	School for blind — Management — Property.
167.160	Advisory committee for school for blind.
167.230	Authority of bureau of education for exceptional children.
167.990	Penalties.

SB 174, AN ACT relating to offices and officers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 160.180 is amended to read as follows:

(1) No person shall be eligible to membership on a board of education:

(a) Unless he has attained the age of twenty-four (24) years; and

(b) Unless he has been a citizen of Kentucky for at least three (3) years preceding his election and is a voter of the district for which he is elected; and

(c) Unless he has completed at least the eighth grade in the common schools as shown by the records of the school in which the eighth grade was completed or by affidavits of the teacher or teachers under whom the work was completed, or unless he has the equivalent of an eighth grade education as determined by an examination held under rules and regulations adopted by the state board of education; or

(d) Who holds a state office requiring the constitutional oath or is a member of the general assembly; or

(e) Who holds or discharges the duties of any civil or political office, deputyship or agency under the city or county of his residence; or

(f) Who, at the time of his election, is directly or indirectly interested in the sale to the board of books, stationery or any other property, materials, supplies, equipment or services for which school funds are expended; or

(g) Who has been removed from membership on a board of education for cause.

(2) If, after the election of any member of the board, he becomes interested in any contract with or claims against the board, of the kind mentioned in paragraph (f) of subsection (1) of this section, [or becomes a candidate for nomination or election to any office or agency the holding and the discharging of the duties of which would have rendered him ineligible before election,] or if he moves his residence from the district for which he was chosen, or if he does anything that would render him ineligible for re-election, he shall be subject to removal from office pursuant to KRS 415.050 and 415.060.

(3) A board member shall be eligible for re-election unless he becomes disqualified.

(4) No member of a board of education shall vote regarding the appointment or employment in any capacity of any person related to him as father, mother, brother, sister, husband, wife, son, daughter, nephew, niece, aunt, uncle, son-in-law, daughter-in-law or first cousin, and the majority vote of the remainder of the board is required in case of appointment or employment of such person.

The Committee Amendment No. 1 to **SB 174** is as follows:

Amend printed copy of **SB 174,** page 3, line 5, after the period insert the following:

"Section 2. KRS 160.280 is amended to read as follows:

(1) Members of boards of education shall receive no salaries, but members of boards of education may receive a per diem of twenty dollars ($20) in any calendar year, and their actual expenses for each regular or special meeting attended[, except in counties containing a city of the first class wherein a merger pursuant to KRS 160.041 shall have been accomplished and members elected from the divisions and in the manner prescribed by KRS 160.210(3), shall receive a per diem of forty dollars ($40), and may be reimbursed for other actual and necessary expenditures incurred in the district in the performance of their duties authorized by the board]. In no case shall the expenses incurred within the district or per diem of any member exceed four hundred dollars ($400) in any calendar year[, except in counties containing a city of the first class wherein a merger pursuant to KRS 160.041 shall have been accomplished and members elected from the divisions and in the manner prescribed by KRS 160.210]. Members of boards of education may be reimbursed for actual and necessary expenditures incurred outside the district in the performance of their duties authorized by the board. *All claims shall be made out according to law and filed with the secretary of the board and shall be approved and paid as other claims against the board.*

(2) In counties containing a city of the first class wherein a merger pursuant to KRS 160.041 shall have been accomplished and members elected from the divisions and in the manner prescribed by KRS 160.210(3), board members shall receive a per diem of forty dollars ($40) for each regular and special meeting attended, and may be reimbursed for other actual and necessary expenditures incurred in the district in the performance of their duties as authorized by the board. In no case shall the expenses incurred within the district or per diem of any member exceed *three thousand dollars* [one thousand dollars ($1,000)] per calendar year. *Members of boards of education may be reimbursed for actual and necessary expenditures incurred outside the district in the performance of their duties.* All claims shall be made out according to law and filed with the secretary of the board and shall be approved and paid as other claims against the board."

The Committee Title Amendment to **SB 174** is as follows:

Amend printed copy of **SB 174,** title, in the title delete the words "offices and officers" and insert the words "school board members"

The Committee on Education reported **SB 72, SB 275,** and **SB 299** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Consent Calendar.

SB 72, AN ACT relating to teacher retirement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 161.155 is amended to read as follows:

(1) As used in this section:

(a) "Teacher" shall mean any person for whom certification is required as a basis of employment in the common schools of the state.

(b) "Immediate family" shall mean the teacher's spouse, children including stepchildren, parents and spouse's parents without reference to the location or residence of said relative.

(2) Each district board of education shall allow to each teacher in its common school system not less than ten (10) days of sick leave during each school year, without deduction of salary. Sick leave shall be granted to a teacher if he presents a personal affidavit or a certificate of a physician stating that the teacher was ill or that the teacher was absent for the purpose of attending to a member of his immediate family who was ill. The ten (10) days of sick leave herein granted may be taken by a teacher on any ten (10) days of the school year and shall be granted in addition to accumulated sick leave days that have been credited to the teacher under the provisions of subsection (3) of this section.

(3) Days of sick leave not taken by a teacher during any school year shall accumulate without limitation and be credited to that teacher. Accumulated sick leave may be taken in any school year. Any district board of education may, in its discretion, allow teachers in its common school system sick leave in excess of the number of days prescribed in this section. Any accumulated sick leave days, not to exceed thirty (30) days, credited to a teacher shall remain so credited in the event he transfers his place of employment from one school district to another within the state.

(4) Accumulated days of sick leave shall be granted to a teacher, if prior to the opening day of the school year, an affidavit or a certificate of a physician is presented to the district board of education, stating that the teacher is unable to commence his duties on the opening day of the school year, but will be able to assume his duties within a period of time that the board determines to be reasonable.

(5) After July 1, 1981, a district board of education may compensate, at the time of retirement, a teacher for each unused sick leave day. The rate of compensation for each unused sick leave day shall be based on a percentage of the teacher's last annual salary, not to exceed thirty percent (30%). Payment for unused sick leave days shall be incorporated into the annual salary of the final year of service. The accumulation of such days includes unused sick leave days held by the teacher at the time of implementation of such a program.

SB 275, AN ACT relating to rehabilitation services.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 163.160 is amended to read as follows:

This state accepts and agrees to comply with all the provisions of the acts of congress of the United States approved June 2, 1920 (41 stat. 735) relating to rehabilitation and all subsequent acts pertaining to rehabilitation enacted prior to January 1, *1980*[1956]. The governor of the commonwealth may, by executive order, accept such acts of congress enacted subsequent to January 1, *1980*[1956], as may be deemed desirable and necessary.

SB 299, AN ACT relating to educational employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 161 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky department of education, with assistance from the Kentucky department of personnel, shall develop a salary structure that will enable teachers in the state supported vocational schools, the Kentucky school for the deaf, and the Kentucky school for the blind to be initially employed at a starting salary that is not lower than the average salary paid to beginning classroom teachers by all schools in that vocational region for personnel with comparable qualifications and experience. The salary schedules shall be computed prior to July 1 of each year and shall be based on the regular 185 day school year. Salaries for extended employment shall be computed at the same rate as the regular pay.

(2) Schedules for the 1980-81 school year shall be developed by August 1, 1980, and shall be initiated at the beginning of the 1980-81 school year.

Representative B. Richardson moved that no further business, other than filing of Amendments, be conducted on this day. Agreed.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 1 to **SB 174,** by Representative Van Horn:

Amend printed copy of **SB 174,** page 2, line 13, following the word "section," remove the bracket [

and on page 2, lines 16 and 17, following the word "election," remove the bracket]

Floor Amendment No. 1 to **SB 321,** by Representative Caldwell:

Amend printed copy of **SB 321,** page 1, line 14, insert between the word "city" and the punctuation mark "." the following phrase: "except that where the residents of the annexed area or any portion of such annexed area have previously voted in favor of prohibition, an election shall be held within sixty (60) days of the effective date of such annexation on the question of whether such residents wish to return the dry territory status. The election shall be held pursuant to KRS 242.030 through KRS 242.050."

Floor Amendment No. 1 to **SB 200,** by Representative Brown:

Amend printed copy of **SB 200,** page 5, after line 2, by adding the following after line 2:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 16 IS CREATED TO READ AS FOLLOWS:

The bureau of state police shall permit payroll deductions of dues to the Kentucky state police professional association when authorized in writing by the officer requesting the payroll deduction."

Floor Amendment No. 1 to **SB 20,** by Representative DeFalaise:

Amend printed copy of **SB 20,** page 3, after line 12, insert the following new sections to read as follows:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The boundaries of cities shall remain as established by law until changed as provided in KRS Chapter 81. The legislative body of any city may annex any unincorporated territory or reduce the boundaries of the city under the provisions of this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Any city exercising authority under Section 3 of this Act shall make plans for the extension of services to the area proposed to be annexed and shall, prior to the public hearings provided for in Section 7 of this Act, prepare a report setting forth such plans. The report shall include:

(1) A map of the city and adjacent territory to show the following information:

(a) The present and proposed boundaries of the city;

(b) The present streets, major trunk water mains, sewer interceptors and outfalls as well as other utility lines;

(c) The present areas receiving, or able to receive, major city services, and the proposed extension of such services to other areas; and

(d) The prevailing general land use patterns existing in the area to be annexed.

(2) A statement showing that the area to be annexed meets the requirements of Section 5 of this Act.

(3) A statement setting forth the plans of the city for extending to the area to be annexed each major city service owned by the city or subsidized through city tax revenues and performed within the city at the time of annexation. Such statement shall:

(a) Provide for extending police and fire protection, garbage collection, and street maintenance services to the area to be annexed on the date of annexation, on substantially the same basis and in the same manner as such services are provided within the boundaries of the city prior to annexation;

(b) Provide for extension, into the area to be annexed, of streets and of major trunk water mains, sewer outfall lines, and lines for such utility services as the city provides to existing city residents and legally may provide in the annexed area, so that when such streets and utility lines are constructed, property owners in the area to be annexed will be able to secure the services, according to the policies in effect in the city for extending the services to individual lots or subdivisions; and shall name the government proposed to be responsible under the plans for any streets or roads which abut or form a boundary of the area to be annexed;

(c) Set forth a proposed timetable for the extension of, and if necessary, the construction for each major city service;

(d) Set forth a projected estimation of tax rates pursuant to Section 10 of this Act to be levied by the city upon the area to be annexed and affected residents of that area for each year until such time that all major city services have been provided; and

(e) Set forth the method under which the city plans to finance extension of services into the area to be annexed.

SECTION 5. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city legislative body may extend the city's boundaries to include any area:

(a) Which is adjacent or contiguous to the city's boundaries at the time the annexation proceeding is begun; and

(b) Which by reason of population density, commercial, industrial, institutional or governmental use of land, or subdivision of land, is urban in character or suitable for development for urban purposes without unreasonable delay.

(2) No part of the area to be annexed shall be included within the boundary of another incorporated city, except as provided by law.

(3) If a city is considering the annexation of two (2) or more areas which are all adjacent to the city boundary but are not adjacent to one another, it may undertake simultaneous proceedings under authority of Section 3 of this Act for the annexation of such areas.

SECTION 6. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Any city legislative body desiring to annex territory shall first pass an ordinance stating the intent of the city to consider annexation. The ordinance shall also specify the following:

(a) A summary of the report which is required by Section 4 of this Act;

(b) A statement setting forth its findings that the area meets the standards of Section 5 of this Act;

(c) The date, time and place for public hearings on the question of annexation, the date to be not less than thirty (30) days nor more than sixty (60) days following the passage of the ordinance; and

(d) A statement that the report required in Section 4 of this Act will be available for inspection at least thirty (30) days prior to the date of the first public hearing and where it will be available.

SECTION 7. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) At least two (2) public hearings shall be held on the proposed annexation after the passage of an ordinance pursuant to Section 6 of this Act. Additional hearings may be held. Notice of such hearings shall be published in accordance with KRS Chapter 424.

(2) The hearings held pursuant to this section shall provide an opportunity to be heard to all persons residing or owning property in the area described in the notice of the public hearing, and to all residents of the city.

(3) At each public hearing, a representative of the city shall make an explanation of the report required in Section 4 of this Act. Such explanation shall be as detailed as necessary so as to convey an accurate and definitive report.

(4) The city legislative body shall take into consideration facts presented at the public hearings and shall have authority to amend the report required by Section 4 of this Act and to make changes in the plans for serving the area proposed to be annexed so long as such changes meet the requirements of Section 5 of this Act. If any amendment or change is approved by the city legislative body, another hearing shall be held to provide any person residing or owning property in the area to be annexed or any resident of the city an opportunity to be heard on the amendment or amendments. Such hearing shall be held not later than thirty (30) days after the city legislative body approves the amendment. Notice of such hearing shall be published in accordance with KRS Chapter 424.

SECTION 8. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) At any meeting of the city legislative body which occurs not sooner than thirty (30) days nor later than sixty (60) days following the last public hearing, the city legislative body may adopt an ordinance extending the corporate limits of the city to include all, or part, of the area described in the notice of the public hearing or, if there has been any amendment to such description, that described in the amendment. The area described shall meet the requirements of Section 21 of this Act. The ordinance shall be adopted by a two-thirds vote of the legislative body. The ordinance shall:

(a) Contain a statement of the intent of the city to provide services to the area being annexed as set forth in the report required by Section 4 of this Act.

(b) Contain specific findings showing that the area to be annexed meets the requirements of Section 5 of this Act. The external boundaries of the area to be annexed shall be described by metes and bounds. The city legislative body may also refer to the boundaries set forth on a map of the area and incorporate the same by reference as a part of the ordinance;

(c) Contain a specific finding that on the effective date of annexation the city will have the means to provide by assessment, appropriation or otherwise for the services as specified in Section 4 of this Act;

(d) Contain a statement specifying the city tax rates that will be levied for the next tax year upon the affected residents and property which is to be annexed; and

(e) Fix the effective date of annexation. The effective date of annexation may be fixed for any date within twelve (12) months from the date of passage of the ordinance except within the first sixty (60) days.

(2) The ordinance of annexation shall be published in accordance with the provisions of KRS Chapter 424.

(3) From and after the effective date of the annexation ordinance, the territory in the affected area and its residents and property shall be subject to all laws, ordinances and regulations in force in such city and shall be entitled to the same privileges and benefits as other parts of such city; provided, however, if the annexation plan is remonstrated against pursuant to Section 9 of this Act, the effective date of the annexation shall not be until thirty (30) days after the certification of the vote in favor of annexation pursuant to subsection (3) of Section 9 of this Act.

SECTION 9. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) If following the publication of an annexation ordinance under authority of Section 8 of this Act and within sixty (60) days thereof, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be annexed petition the mayor in opposition to the proposal, an election shall be held at the next regular election occurring at least sixty (60) days after the petition is presented to the county clerk.

(2) The mayor of the city shall deliver a certified copy of the ordinance to the county clerk of the county in which the territory proposed to be annexed is located, or if such territory is located in more than one (1) county, to the county clerks of such counties, who shall have printed on the ballot provided for use in each precinct embraced in whole or in part within the territory proposed to be annexed the question: "Are you in favor of being annexed to the City of __________?" If only a part of any precinct is embraced within the territory proposed to be annexed only persons who reside within the territory proposed to be annexed shall be permitted to vote. The clerk shall cause the sheriff or sheriffs to deliver to the election officers in each precinct in the appropriate counties copies of the ordinance proposing to annex.

(3) If one-half (½) or more of the registered voters in the area to be annexed vote in favor of annexation, such territory shall become a part of the city as provided in subsection (3) of Section 8 of this Act.

(4) If less than one-half (½) of the registered voters in the area to be annexed vote in favor of annexation, the ordinance proposing annexation shall become ineffective for any purpose.

SECTION 10. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city shall tax property within the annexed area only in such amount as is commensurate with city services or facilities actually made available to the residents or property of the affected area including continuation of services provided prior to annexation.

(2) If services available from the city have been provided prior to annexation from another source in the annexed area, the city shall not tax for such services unless they are actually provided by the city as a lawful replacement for existing services.

SECTION 11. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city may reduce its boundaries by ordinance in accordance with this section.

(2) Area may be excluded from a city by a reduction of boundaries only if:

(a) The area does not need urban governmental services, or it can better obtain those services from another source;

(b) The reduction will not result in a substantial economic waste of the city's facilities in the area; and

(c) The retention of the area is not essential to the continued prosperity of the city or the reduction would best serve the needs and interests of the community as a whole with respect to government in urban territory.

(3) If following the publication of a reduction ordinance under the authority of Section 3 of this Act, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be reduced oppose the reduction ordinance, an election shall be held in accordance with the provisions of Section 9 of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Whenever the limits of a city are enlarged or reduced, the city shall cause an accurate map of the annexed or severed area with a metes and bounds description, together with a copy of the ordinance duly certified, to be recorded in the office of the county clerk of the county or counties in which the city is located and in the office of the secretary of state.

SECTION 13. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The provisions of this Act shall apply in any annexation proceeding in which the annexing city has not adopted a final annexation ordinance by the effective date of this Act.

SECTION 14. The following sections of the KRS are repealed:

81.100 Annexation of unincorporated territory or reduction of territory by first-class city.

81.110 Protest against annexation of unincorporated territory or reduction of territory by first-class city — Trial — Judgment.

81.140 Annexation of unincorporated territory or reduction of territory by second-class city.

81.145 Election on annexation of unincorporated territory by a city of the second class in a county containing a city of the second and third class.

81.180 Second-class city to divide annexed territory into wards — Right of electors in annexed territory.

81.190 Annexation or reduction of territory by third-class city.

81.210 Annexation or reduction of territory by fourth-class city.

81.220 Protest against annexation by fourth-class city — Trial — Judgment.

81.230 Annexation or reduction of territory by fifth-class city.

81.240 Annexation or reduction of territory by sixth-class city.

81.250 Fifth or sixth-class city takes over rights and liabilities of city annexed.

81.260 Liability of property owners in territory annexed to sixth-class city for debts of city incurred before annexation.

81.270 Resubmission of proposal for annexation or reduction by city of any class when first proposal is denied by court or defeated by voters.

81.296 Publication of ordinance."

and renumber "Section 3" as "Section 15", on page 3, line 13.

Amend printed copy of **SB 22,** by Representative DeFalaise:

Amend printed copy of **SB 22,** page 7, line 7, insert the following new sections to read as follows:

"SECTION 6. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The boundaries of cities shall remain as established by law until changed as provided in KRS Chapter 81. The legislative body of any city may annex any unincorporated territory or reduce the boundaries of the city under the provisions of this Act.

SECTION 7. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Any city exercising authority under Section 6 of this Act shall make plans for the extension of services to the area proposed to be annexed and shall, prior to the public hearings provided for in Section 10 of this Act, prepare a report setting forth such plans. The report shall include:

(1) A map of the city and adjacent territory to show the following information:

(a) The present and proposed boundaries of the city;

(b) The present streets, major trunk water mains, sewer interceptors and outfalls as well as other utility lines;

(c) The present areas receiving, or able to receive, major city services, and the proposed extension of such services to other areas; and

(d) The prevailing general land use patterns existing in the area to be annexed.

(2) A statement showing that the area to be annexed meets the requirements of Section 8 of this Act.

(3) A statement setting forth the plans of the city for extending to the area to be annexed each major city service owned by the city or subsidized through city tax revenues and performed within the city at the time of annexation. Such statement shall:

(a) Provide for extending police and fire protection, garbage collection, and street maintenance services to the area to be annexed on the date of annexation, on substantially the same basis and in the same manner as such services are provided within the boundaries of the city prior to annexation;

(b) Provide for extension, into the area to be annexed, of streets and of major trunk water mains, sewer outfall lines, and lines for such utility services as the city provides to existing city residents and legally may provide in the annexed area, so that when such streets and utility lines are constructed, property owners in the area to be annexed will be able to secure the services, according to the policies in effect in the city for extending the services to individual lots or subdivisions; and shall name the government proposed to be responsible under the plans for any streets or roads which abut or form a boundary of the area to be annexed;

(c) Set forth a proposed timetable for the extension of, and if necessary, the construction for each major city service;

(d) Set forth a projected estimation of tax rates pursuant to Section 14 of this Act to be levied by the city upon the area to be annexed and affected residents of that area for each year until such time that all major city services have been provided; and

(e) Set forth the method under which the city plans to finance extension of services into the area to be annexed.

SECTION 8. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city legislative body may extend the city's boundaries to include any area:

(a) Which is adjacent or contiguous to the city's boundaries at the time the annexation proceeding is begun; and

(b) Which by reason of population density, commercial, industrial, institutional or governmental use of land, or subdivision of land, is urban in character or suitable for development for urban purposes without unreasonable delay.

(2) No part of the area to be annexed shall be included within the boundary of another incorporated city, except as provided by law.

(3) If a city is considering the annexation of two (2) or more areas which are all adjacent to the city boundary but are not adjacent to one another, it may undertake simultaneous proceedings under authority of Section 6 of this Act for the annexation of such areas.

SECTION 9. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Any city legislative body desiring to annex territory shall first pass an ordinance stating the intent of the city to consider annexation. The ordinance shall also specify the following:

(a) A summary of the report which is required by Section 7 of this Act;

(b) A statement setting forth its findings that the area meets the standards of Section 8 of this Act;

(c) The date, time and place for public hearings on the question of annexation, the date to be not less than thirty (30) days nor more than sixty (60) days following the passage of the ordinance; and

(d) A statement that the report required in Section 7 of this Act will be available for inspection at least thirty (30) days prior to the date of the first public hearing and where it will be available.

SECTION 10. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) At least two (2) public hearings shall be held on the proposed annexation after the passage of an ordinance pursuant to Section 9 of this Act. Additional hearings may be held. Notice of such hearings shall be published in accordance with KRS Chapter 424.

(2) The hearings held pursuant to this section shall provide an opportunity to be heard to all persons residing or owning property in the area described in the notice of the public hearing, and to all residents of the city.

(3) At each public hearing, a representative of the city shall make an explanation of the report required in Section 7 of this Act. Such explanation shall be as detailed as necessary so as to convey an accurate and definitive report.

(4) The city legislative body shall take into consideration facts presented at the public hearings and shall have authority to amend the report required by Section 7 of this Act and to make changes in the plans for serving the area proposed to be annexed so long as such changes meet the requirements of Section 8 of this Act. If any amendment or change is approved by the city legislative body, another hearing shall be held to provide any person residing or owning property in the area to be annexed or any resident of the city an opportunity to be heard on the amendment or amendments. Such hearing shall be held not later than thirty (30) days after the city legislative body approves the amendment. Notice of such hearing shall be published in accordance with KRS Chapter 424.

SECTION 11. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) At any meeting of the city legislative body which occurs not sooner than thirty (30) days nor later than sixty (60) days following the last public hearing, the city legislative body may adopt an ordinance extending the corporate limits of the city to include all, or part, of the area described in the notice of the public hearing or, if there has been any amendment to such description, that described in the amendment. The area described shall meet the requirements of Section 6 of this Act. The ordinance shall be adopted by a two-thirds vote of the legislative body. The ordinance shall:

(a) Contain a statement of the intent of the city to provide services to the area being annexed as set forth in the report required by Section 7 of this Act.

(b) Contain specific findings showing that the area to be annexed meets the requirements of Section 8 of this Act. The external boundaries of the area to be annexed shall be described by metes and bounds. The city legislative body may also refer to the boundaries set forth on a map of the area and incorporate the same by reference as a part of the ordinance;

(c) Contain a specific finding that on the effective date of annexation the city will have the means to provide by assessment, appropriation or otherwise for the services as specified in Section 7 of this Act;

(d) Contain a statement specifying the city tax rates that will be levied for the next tax year upon the affected residents and property which is to be annexed; and

(e) Fix the effective date of annexation. The effective date of annexation may be fixed for any date within twelve (12) months from the date of passage of the ordinance except within the first sixty (60) days.

(2) The ordinance of annexation shall be published in accordance with the provisions of KRS Chapter 424.

(3) From and after the effective date of the annexation ordinance, the territory in the affected area and its residents and property shall be subject to all laws, ordinances and regulations in force in such city and shall be entitled to the same privileges and benefits as other parts of such city; provided, however, if the annexation plan is remonstrated against pursuant to Section 12 of this Act, the effective date of the annexation shall not be until thirty (30) days after the certification of the vote in favor of annexation pursuant to subsection (3) of Section 12 of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) If following the publication of an annexation ordinance under authority of Section 11 of this Act and within sixty (60) days thereof, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be annexed petition the mayor in opposition to the proposal, an election shall be held at the next regular election occurring at least sixty (60) days after the petition is presented to the county clerk.

(2) The mayor of the city shall deliver a certified copy of the ordinance to the county clerk of the county in which the territory proposed to be annexed is located, or if such territory is located in more than one (1) county, to the county clerks of such counties, who shall have printed on the ballot provided for use in each precinct embraced in whole or in part within the territory proposed to be annexed the question: "Are you in favor of being annexed to the City of __________?" If only a part of any precinct is embraced within the territory proposed to be annexed only persons who reside within the territory proposed to be annexed shall be permitted to vote. The clerk shall cause the sheriff or sheriffs to deliver to the election officers in each precinct in the appropriate counties copies of the ordinance proposing to annex.

(3) If one-half (½) or more of the registered voters in the area to be annexed vote in favor of annexation, such territory shall become a part of the city as provided in subsection (3) of Section 11 of this Act.

(4) If less than one-half (½) of the registered voters in the area to be annexed vote in favor of annexation, the ordinance proposing annexation shall become ineffective for any purpose.

SECTION 13. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city shall tax property within the annexed area only in such amount as is commensurate with city services or facilities actually made available to the residents or property of the affected area including continuation of services provided prior to annexation.

(2) If services available from the city have been provided prior to annexation from another source in the annexed area, the city shall not tax for such services unless they are actually provided by the city as a lawful replacement for existing services.

SECTION 14. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city may reduce its boundaries by ordinance in accordance with this section.

(2) Area may be excluded from a city by a reduction of boundaries only if:

(a) The area does not need urban governmental services, or it can better obtain those services from another source;

(b) The reduction will not result in a substantial economic waste of the city's facilities in the area; and

(c) The retention of the area is not essential to the continued prosperity of the city or the reduction would best serve the needs and interests of the community as a whole with respect to government in urban territory.

(3) If following the publication of a reduction ordinance under the authority of Section 6 of this Act, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be reduced oppose the reduction ordinance, an election shall be held in accordance with the provisions of Section 12 of this Act.

SECTION 15. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Whenever the limits of a city are enlarged or reduced, the city shall cause an accurate map of the annexed or severed area with a metes and bounds description, together with a copy of the ordinance duly certified, to be recorded in the office of the county clerk of the county or counties in which the city is located and in the office of the secretary of state.

SECTION 16. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The provisions of this Act shall apply in any annexation proceeding in which the annexing city has not adopted a final annexation ordinance by the effective date of this Act.

SECTION 17. The following sections of the KRS are repealed:

81.100 Annexation of unincorporated territory or reduction of territory by first-class city.

81.110 Protest against annexation of unincorporated territory or reduction of territory by first-class city — Trial — Judgment.

81.140 Annexation of unincorporated territory or reduction of territory by second-class city.

81.145 Election on annexation of unincorporated territory by a city of the second class in a county containing a city of the second and third class.

81.180 Second-class city to divide annexed territory into wards — Right of electors in annexed territory.

81.190 Annexation or reduction of territory by third-class city.

81.210 Annexation or reduction of territory by fourth-class city.

81.220 Protest against annexation by fourth-class city — Trial — Judgment.

81.230 Annexation or reduction of territory by fifth-class city.

81.240 Annexation or reduction of territory by sixth-class city.

81.250 Fifth or sixth-class city takes over rights and liabilities of city annexed.

81.260 Liability of property owners in territory annexed to sixth-class city for debts of city incurred before annexation.

81.270 Resubmission of proposal for annexation or reduction by city of any class when first proposal is denied by court or defeated by voters.

81.296 Publication of ordinance."

and on page 7, line 8, renumber "Section 6" as "Section 18."

Floor Amendment No. 1 to **SB 245**, by Representative Thomason:

Amend printed copy of **SB 245**, page 3, line 8, by inserting before the word "The" the words "Each member of the general assembly appointed to the authority shall serve for a term of two (2) years, and a vacancy in such a position on the authority shall be filled for the remainder of the unexpired term in the same manner as the original appointment was made."

Floor Amendment No. 2 to **SB 245,** by Representative Thomason:

Amend printed copy of **SB 245,** page 2, lines 23 and 24, by deleting the words "a coal based chemical/energy industrial complex" and by substituting the words "an industrial complex for the production of coal based chemicals and fuels"; and

on page 8, lines 12 and 13, by deleting the words "and each biennial term for which the lease may be renewed"; and

on page 20, line 25, by deleting the words "By January 30".

Floor Amendment No. 2 to **SB 332,** by Representative Holbrook:
Amend printed copy of **SB 332,** on page 1, line 1, after the word "repealed" insert the following: ", *amended*"

and on page 2, between line 19 and line 20, by adding the following:

"*(8) A "scrap metal processor" is defined as one who, from a fixed location, utilizes machinery and equipment for processing and manufacturing iron, steel or nonferrous metallic scrap into prepared grades and whose principal product is scrap iron, scrap metal, scrap steel or nonferrous metallic scrap for sale for remelting purposes. The provision of this act shall not apply to a scrap metal processor.*"

and on page 1, line 9, by placing brackets around the words "five (5)" and inserting in lieu thereof the words "*ten (10)*"

Floor Amendment No. 3 to **SB 114,** by Representative Gray:

Amend printed copy of **SB 114,** page 9, line 24, by adding a section "(d)" as follows: "No physician's assistant shall practice chiropractic as defined in KRS 312.015." and by renumbering all following sections accordingly.

Floor Amendment No. 2 to **SB 20,** by Representative Burch:

Amend printed copy of **SB 20,** page 3, line 2, by inserting before the word "abutting" the words "in or".

Floor Amendment No. 1 to **SB 287,** by Representative Kenton:

Amend printed copy of **SB 287,** page 2, after line 25, by adding the following:

"Section 2. KRS 132.017 is amended to read as follows:
(1) (a) That portion of a tax rate levied by an ordinance, order, resolution, or motion of a county fiscal court, district board of education or legislative body of a city, urban-county government or other taxing district subject to recall as provided for in KRS 68.245, 132.023, 132.027 and 160.470, shall go into effect forty-five (45) days after its passage. If during the forty-five (45) days next following the passage of the order, resolution, or motion a petition signed by a number of registered and qualified voters equal to ten percent (10%) of the voters voting in the last presidential election is presented to the county clerk or his authorized deputy, or to the county fiscal court, district board of education, or legislative body of a city or urban-county government or other taxing district, as the case may be, protesting against passage of the ordinance, order, resolution, or motion, the ordinance, order, resolution, or motion shall be suspended from going into effect until after the election referred to in subsection (2) of this section. If such petition is presented to the county clerk or his authorized deputy, such officer shall immediately notify the presiding officer of the appropriate fiscal court, district board of education, or legislative body of a city or urban-county government or other taxing district, as the case may be. Each sheet of the petition shall contain the names and addresses of voters in but one (1) voting precinct, and each sheet shall state the name, number, or designation of the precinct and, where applicable, the name, designation, or number of the district or ward wherein the precinct is situated. The board or boards of registration in the county shall give necessary and appropriate aid to the county clerk so that such officer may make the conclusive determination of whether the petition contains enough signatures of qualified voters to suspend the effect of the order or resolution.
(b) The county fiscal court, district board of education, or legislative body of a city, urban-county government or other taxing district may cause the cancellation of the election by reconsidering the ordinance,

order, resolution, or motion and amending such ordinance, order, resolution, or motion to levy a tax rate which will produce no more revenue from real property, exclusive of revenue from new property as defined in KRS 132.010, than four percent (4%) over the amount of revenue produced by the compensating tax rate defined in KRS 132.010 from real property. Such action by the county fiscal court, district board of education, legislative body of a city, urban-county government or other taxing district shall be valid only if taken within fifteen (15) days following the date of the presentation of the petition.

(2) (a) In the event an election is necessary under the provisions of subsection (1) of this section, the county fiscal court or legislative body of a city, urban-county government or other taxing district shall cause to be submitted to the voters of the county, district, or urban-county at the next regular election, the question as to whether such property tax rate shall be levied. The question shall be so framed that the voter may by his vote answer "for" or "against." If a majority of the votes cast upon the question oppose its passage, the order, resolution, or motion shall not go into effect. If a majority of the votes cast upon the question favor its passage, the order, resolution, or motion shall go into effect.

(b) In the event an election is necessary for a school district under the provisions of subsection (1) of this section, the district board of education may cause to be submitted to the voters of the district in a called common school election not less than 20 days nor more than 30 days from the date the signatures on the petition are validated by the county clerk, or at the next regular election, at the option of the district board of education, the question as to whether such property tax rate shall be levied. The question shall be so framed that the voter may by his vote answer "for" or "against." If a majority of the votes cast upon the question oppose its passage, the order, resolution, or motion shall not go into effect. If a majority of the votes cast upon the question favor its passage, the order, resolution, or motion shall go into effect. The cost of a called common school election shall be borne by the school district causing the election to be held.

(3) Notwithstanding any statutory provision to the contrary, in the event that a city, county, school district or other taxing district has not established a final tax rate as of September 15, due to the recall provisions of KRS 68.245, 132.017, 132.027 or 160.470, regular tax bills shall be prepared as required in KRS 133.220 for all districts having a tax rate established by such date; and a second set of bills shall be prepared and collected in the regular manner, according to the provisions of KRS Chapter 132, upon establishment of final tax rates by the remaining districts.

(4) In the event a second billing is necessary, the collection period shall be extended to conform with the second billing date.

(5) All costs associated with the second billing shall be paid by the taxing district or districts requiring the second billing."

Floor Amendment No. 1 to **SB 72,** by Representative Richards:

Amend printed copy of **SB 72,** page 3, line 6, after "program." insert:

"Section 2. KRS 158.030 is amended to read as follows:

(1) A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by September 1, 1979, and any year thereafter, shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by September 1, 1979, and any year thereafter, may enter a public school kindergarten. Any child who has successfully completed kindergarten during the school year *1979-80* [1978-79] shall be eligible for enrollment in the first grade for the school year *1980-81* [1979-80] notwithstanding any other age requirements of this section.

[(2) The parent or legal guardian of any child who becomes five (5) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter kindergarten at the beginning of the school year in which the child becomes five (5).

(3) The parent or legal guardian of any child who becomes six (6) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter first grade at the beginning of the school year in which the child becomes six (6).

(4) The state board for elementary and secondary education shall establish procedures for consideration of such petitions including readiness testing and such other measures as may be deemed necessary.]

Floor Title Amendment to **SB 72,** by Representative Richards:

Amend printed copy of **SB 72,** title, in the title, delete the words "teacher retirement" and insert after the word "to" the word "education"

Floor Amendment No. 1 to **HB 846,** by Representative Burnette:

Amend printed copy of **HB 846,** page 1, line 15, after the word "also" by deleting the word "direct the Kentucky department of transportation" and inserting "*set priorities for the development cabinet*" in lieu thereof

page 1, line 21, by deleting the words "Kentucky department of transportation" and inserting the words "*development cabinet*" in lieu thereof

page 3, line 1, after the first "the" by deleting the words "governor's office" and inserting the words "*development cabinet*" in lieu thereof.

Floor Amendment No. 1 to **SB 296,** by Representative Rattliff:

Amend printed copy of **SB 296,** page 6, after line 9, insert the following:

"*(6) Any person engaged in the practice of septic tank installation for a period of at least one (1) year prior to the effective date of this Act shall be issued a septic tank installer's license upon application, provided such application is made within one (1) year of the effective date of this Act.*"

Floor Amendment No. 5 to Floor Amendment No. 4 to **SB 163,** by Representative O'Brien:

Amend printed copy of House Floor Amendment No. 4 to **SB 163,** page 1, by deleting page 1; and

on page 2, lines 3 and 4, by deleting "*, Section 9 of this Act, and KRS 45A.445 to 45A.460*"; and

on page 3, by deleting all material preceding "Section 18. KRS 45.360 is amended to read as follows" and by inserting in lieu of the deleted material: "on page 30, between lines 14 and 15, by inserting the following:"

and, by deleting page 20; and

on page 21, by changing "26" to "25" and "27" to "26" and "28" to "27".

Floor Amendment No. 1 to **SB 381,** by Representative Romines:

Amend printed copy of **SB 381,** on page 8, line 6, after the word "*demeanor.*", insert the following language:

SECTION 6. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

It is the intent of the Kentucky General Assembly that Kentucky should adopt a certificate of title and auto vehicle theft act. This act comtemplates a centralized issuance of motor vehicle titles. It is the intention of the General Assembly that, beginning in the 1983 model year, all 1983 year model and subsequent year model vehicles shall be centrally titled. In counties which are operating under the automated motor vehicle registration system under the provisions of this chapter, motor vehicles may be titled according to the same procedures, provided that the secretary of the Kentucky department of transportation and the secretary of the Kentucky department of finance agree that there is sufficient funding to modify the present automated registration system to accommodate the titling function. If funds are not deemed to be available, such counties shall operate under a manual system.

In counties which are not operating under an automated motor vehicle registration system under the provisions of this chapter, motor vehicles shall be titled according to a manual system to be developed according to the department of transportation. However, a manual system shall be developed only if funding is available as determined by the departments of finance and transportation.

SECTION 7. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The departments of transportation, justice, finance, and revenue, in conjunction with the joint interim committee on transportation of the Kentucky general assembly, shall consider from the effective date of this Act until the 1982 regular session, the fiscal and physical impact of the motor vehicle titling systems described herein. This consideration shall include the desirability of the manual and automated systems described for the purpose of determining the application of these systems on a statewide basis. The joint recommendation of these state agencies and the joint interim committee shall be presented as a single recommendation to the 1982 regular session of the general assembly and shall be considered by that session. The interim committee shall be responsible for coordinating recommendations relating to the systems described herein and may hold hearings and direct any state agency it may deem appropriate to cooperate relevant to formulating a recommendation to the 1982 regular session. It is further provided that in the event the secretary of transportation and the secretary of finance, in accordance with other provisions of this Act, determine that sufficient funds are available to begin implementation of a motor vehicle titling system prior to the 1982 regular session, the joint interim committee shall be consulted with respect to the specifics of such implementation and such implementation shall have concurrence of the department of justice and revenue as well as the joint interim committee prior to implementation.

Section 3. KRS 186A.010 is amended to read as follows:

(1) *An automated motor vehicle and trailer registration and titling system shall be developed and implemented as expeditiously as practicable in all counties of the Commonwealth* [It is the intention of the general assembly that an automated motor vehicle and trailer registration system be developed and that pilot projects be instituted in selected counties, subject to the agreement of the county clerk of a selected county. The counties in which pilot projects shall be instituted shall be selected by the secretary of the department of transportation in consultation with the departments of revenue and justice]. The automated motor vehicle and trailer registration system shall be designed to enable Kentucky's county clerks to produce motor vehicle and trailer certificates of registration in their offices, and certificates of title in Frankfort, by automated means utilizing telecommunication terminals and associated devices supplied by the Commonwealth, to inhibit registration and transfer of stolen motor vehicles or trailers, to improve the capability of detecting and recovering such vehicles, to ensure development of a common vehicle information data base to improve efficiency *in collecting and* [in] auditing motor vehicle usage tax, [and] license fee collections, *and personal property tax,* to provide information to the traffic record system, and to provide improved security interest protection to potential creditors throughout Kentucky while simultaneously reducing the number of forms that must be processed and stored each year in Kentucky.

(2) The department of transportation is hereby directed to develop *as expeditiously as practicable* an automated motor vehicle and trailer registration *and titling* system [design,] having, as a minimum, the capabilities or functions described in this chapter, and to acquire and assure the installation of such equipment or services as are necessary to enable the system as described in this chapter to be *operated in all counties of the Commonwealth* [tested in selected counties].

(3) *All* [The department of transportation is directed to ensure that the system developed will produce the necessary reports in such manner and at such times as the departments of revenue and justice request, to enable these departments to audit the taxes and fees collected by the county clerk in connection with the registration of a motor vehicle or trailer required to be registered in this state, and that the system produces such other information as the department of justice may reasonably require in connection with the registration of a motor vehicle or trailer, in carrying out the duties of that department as they relate to the regulation of motor vehicles or a traffic records system.

(4) The] departments of *state government affected by the system* [revenue and justice] are hereby directed to cooperate with the department of transportation for purposes of assuring orderly implementation of this *Act* [chapter].

SECTION 9. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) (a) The bureau of vehicle regulation shall have full responsibility and authority for day-to-day administration of the automated system and related functions described by this chapter; and

(b) May request the assistance of any department or bureau of state government in carrying out its responsibilities under this Act.

(2) The bureau of vehicle regulation shall assure, to the extent feasible, twenty-four (24) hour, year-around information support to the bureau of state police, and to other law enforcement agencies state and nationwide, regarding vehicles registered and, when required, titled in this state.

SECTION 10. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

In order to improve collection of personal property (ad valorem) taxes associated with motor vehicles and trailers, the bureau of vehicle regulation, in cooperation with the department of revenue, shall:

(1) Ensure that the automated system provided by this chapter is capable of properly assigning a value for each vehicle registered in a county, utilizing a value reference manual in machine readable form approved by the department of revenue, and a manually entered value for vehicles not shown in such "manual."

(2) Promptly study the feasibility of computing personal property (ad valorem) taxes associated with motor vehicles or trailers, and producing tax bills or notices of taxes due in such regard, and if shown feasible to its satisfaction, implement such capability, or any part thereof, as expeditiously as practicable.

(3) Ensure that the automated system is capable of receiving the record of a lien for unpaid personal property (ad valorem) taxes associated with a motor vehicle or trailer and causing notice of such lien to be imprinted on any certificate of registration, certificate of registration and title, or if applicable, certificate of title or salvage certificate unless such lien is satisfied or exonerated.

(4) Ensure that the automated system design will permit the county clerk to transfer the record of an unpaid property (ad valorem) tax lien against a motor vehicle or trailer, from a vehicle previously owned by an owner, to another vehicle subsequently registered in his name.

SECTION 11. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Other provisions of the statutes to the contrary notwithstanding, the requirement that a sticker or emblem evidencing security (insurance) be affixed to a motor vehicle shall be waived:

(1) Upon a finding by the commissioner of the department of insurance that the underlying purpose(s) of KRS 304.39-085 may be accomplished by the filing of appropriate evidence of insurance with the county clerk, and entry of data concerning such filing into the automated system provided for by this chapter; and

(2) Upon the implementation of a program approved by the commissioner of the department of insurance consistent with this section.

SECTION 12. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) All motor vehicles with a gross vehicular weight of 10,000 pounds or less, and trailers, first registered, or for which the registration is renewed in this state on or after January 1, 1981, shall be placed in a system of year-round registration based upon the birth month of the owner, in order to distribute the work of registering motor vehicles as uniformly as practicable throughout the twelve (12) months of the year.

(2) If the owner of a motor vehicle or trailer is other than an individual, the month in which the owning entity came into being shall be used for purposes of this section. If a motor vehicle or trailer is jointly owned, the owners shall indicate to the county clerk the birth month of one of them to be used for purposes of this section.

(3) The certificate of registration and license plate issued for a motor vehicle or trailer first registered in this state on or after January 1, 1981, shall be valid, unless cancelled by the department in accordance with KRS Chapter 186 or this chapter, upon payment of the required fee, for a period beginning on the first

day of the month of the year in which registration is applied for, and expiring on the last day of the next birth month of the owner following the month during which registration is applied for, provided however that, upon the owner's request, and after payment of the proper prorated fee, an owner may obtain a certificate of registration and license plate valid through the last day of his second birth month following the month and year in which he applies for a first certificate or registration.

(4) After a motor vehicle or trailer has been initially placed in the system of year-round registration, the owner shall renew the registration and license plate annually during the owner's birth month, by making application to the county clerk and paying the fee required for twelve (12) consecutive months of registration, which shall take effect on the first day of the month succeeding the owner's birth month and shall expire on the last day of the owner's next birth month.

(5) Any owner who fails to renew the registration of a motor vehicle during the month in which the previous registration expired, shall, if he applies for renewal of the registration in some later month, pay the same fees that would have been required if the registration had been renewed in the month which the previous registration expired.

(6) Fees which must be prorated in carrying out the intent of this section shall be prorated on the basis of twelfths of the annual registration fee. Any vehicle which is registered at any time during a month, shall pay the fee required for that whole month plus any additional months of registration purchased consistent with the intent of this section.

(7) The county clerk shall ensure that the certificate of registration issued to an owner displays the month and year in which the registration period begins, and the month and year of its expiration, and shall issue to the owner a decal or decals corresponding to the month and year of expiration shown in the certificate of registration which shall be placed upon the corresponding license plate by the owner in the manner required by administrative regulations of the bureau of vehicle regulation.

SECTION 13. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The department of transportation shall ensure that by June 30, 1982, each county in the Commonwealth is equipped with at least one, or more than one, as workload dictates, video telecommunications terminals and associated devices, linked to a computer in Frankfort maintained by the Commonwealth, and capable of enabling the county clerk to produce certificates of registration in their offices, and certificates of title in Frankfort, in a manner consistent with this chapter.

SECTION 14. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The certificate of title blanks required by this chapter shall be designed and printed to make difficult, and facilitate detection of counterfeit likenesses or fraudulent alteration of genuine documents. The bid specifications for the acquisition of the certificate of title blanks shall require, as a minimum:

(1) That bidders have a demonstrable reputation in the printing of currency or securities, and guarantee with an appropriate cash bond that, in addition to any other requirements, the document blanks to be supplied are printed in a secure printing facility, by intaglio steel plate printing process, from line engravings, utilizing a combination of the printing process, unique printing plates, paper, and inks to produce high quality documents designed to:

(a) Be readily recognizable as genuine by a layman, and by extra visual techniques;

(b) Make extremely difficult the manufacture of counterfeit likenesses by direct engraving, photographic or color xerographic means;

(c) Visually reveal actual or attempted alteration or erasure by chemical or mechanical means.

(2) That bidders guarantee production of a specific number of uniquely numbered documents with guaranteed accounting for spoilage, and a guaranteed list of document numbers supplied and those deleted.

(3) That the documents will be shipped to the Commonwealth by an agreed means to assure minimal risk of theft, loss or destruction.

(4) That the plates utilized in printing of the blanks will not be utilized for the printing of certificate of title blanks by other than the bidder pursuant to a lawful contract with the Commonwealth.

SECTION 15. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation, in cooperation with the bureau of state police, shall ensure that the automated vehicle registration and titling system provided for by this chapter will be designed, equipped, and operated so that, under normal conditions, the system will withhold production of a certificate of title until the vehicle identification number of a vehicle for which a title is sought, and when present its license number, has been automatically compared against the law information network Kentucky (LINK) and, unless it refuses to permit such an arrangement, the national crime information center (NCIC) computerized listing of vehicles reported stolen, and a "no stolen report" or its equivalent is received.

SECTION 16. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation is directed to develop, in cooperation with county clerks, auto dealers, and the departments of revenue and insurance and the bureau of state police, a combined vehicle transaction record form to permit, to the extent feasible, the recording on one side of one page, all information pertinent to the initial registration, taxation, and when required, titling, or transfer of registration and title of a vehicle. The form shall be utilized by all applicable parties in connection with the registration, and if required, titling of a vehicle in this state on and after January 1, 1982. The form shall have at least the following characteristics:

(1) An appropriate heading or title.

(2) A statement that the information required by the first or original of the form must be legibly printed in dark blue or black, permanent photo-reproducing ink or indelible pencil, or typed in black, except as to signatures, which shall be originally signed in dark blue or black photo-reproducing ink.

(3) A statement, prominently printed in boldface type, that any person who knowingly enters, or attests to the entry of, false or erroneous information upon the form shall be subject to the penalties of perjury.

(4) A seller or transferror section containing space for the seller or transferror's full legal name, mailing address and telephone number, including telephone area code, and if the seller or transferror is a motor vehicle dealer licensed in this state, a space for recording the dealer license number.

(5) An owner or buyer section, containing space for the owner or buyer's full legal name, mailing address, social security account number, or, if the owner is other than a person, its state or federal employer identification number, telephone number including telephone area code, and owner's birth month.

(6) A vehicle description section with space for the vehicle identification number, and if the vehicle is a motorcycle, a motor number; the make; model name; model number; year model; number of cylinders; style of body; and spaces for designating two colors, single or upper, and lower; and, if the vehicle is a truck, its gross weight.

(7) A section with spaces for recording prior registration and title information to include the previous owner's name, the state in which a vehicle was last registered or titled, and the title number, registration number, and year.

(8) An odometer disclosure section containing all information elements required by applicable federal law, except that, the language of the section shall incorporate by reference the transferror's address, the vehicle description, date of the statement and the transferree's name, address and acknowledgment, which shall appear on the same form, although not necessarily within the same section. Such section shall be imprinted with the warning that knowingly giving false or erroneous information is subject to the penalty of perjury in the second degree.

(9) A transferror's lien declaration section, containing the necessary means to obtain the following information; I __________ warrant that the vehicle described above is not subject to an unterminated lien in the name of a prior owner.

(10) A tax computation section for both new and used cars, consistent with requirements of the department of revenue.

(11) A section for the seller or transferror's certificate of truth and accuracy of the information. The section shall be printed in boldface type and shall read: I __________ (typed or printed name) hereby certify under penalty of perjury and applicable federal and state law and regulations that the foregoing information upon this form is true and correct to the best of my knowledge and belief. __________ (signature)

(12) This language shall be followed by the words and spaces required for a notarial certificate.

(13) An owner or transferee's lien declaration section, containing the necessary means to obtain the following information: I __________, (owner, transferee) have not applied for a loan in connection with the vehicle described above, and do not expect to do so within thirty (30) days of submission of this application to the county clerk.

(14) A lien information section containing the necessary elements to obtain the following information:

(a) This vehicle shall be subject to lien or liens, not exceeding two, in the name of the applicant, owner or transferee;

(b) A financing statement and required filing fees accompany this application;

(c) Spaces for recording as to a first and second lien, the lienholder's name and mailing address, including zip code; the date the lien was filed; file number (as supplied by the county clerk) and county in which the financing statement is filed;

(d) A statement as to whether a loan has been or will be applied for in connection with the vehicle, and whether a financing statement is expected to be filed within thirty (30) days of submission of this application to the county clerk.

(15) A section for an owner's request for issuance of a regular or special plate.

(16) A section for an owner's request for registration of a vehicle under a special fee classification.

(17) A section for the owner's statement of application for registration and when required, a certificate of title. The section shall state: I __________ (typed or printed name) hereby apply for registration of the vehicle described above, for a license plate of the type indicated, and, if required, a certificate of title. If I have requested that the vehicle be registered under a special use classification provided by statute, I certify that the vehicle will be operated consistent with the registration classification I have indicated. I certify under penalty of perjury that the information I have supplied is true and correct to the best of my knowledge and belief, followed by a space for the owner's signature. This language and space shall be followed by the words and spaces required for a notarial certificate.

(18) A section for the certified vehicle inspector's certificate of inspection of a vehicle from out of state, which shall include words and spaces as indicated: I __________ (printed or typed name and title) of __________ (printed or typed county) telephone area code and telephone number, do hereby certify under penalty of perjury that I have personally and physically inspected the vehicle described above, together with this application and its supporting documents, and the vehicle is as described hereon; the documents supporting this application are consistent with the vehicle description, including the vehicle identification numbers appearing upon this application, and that the vehicle identification number displayed upon the vehicle and supporting documents appear to be in order. The odometer reading at the time of my inspection was __________ miles/kilometers (circle one). The driver's license number of the owner is __________, state of __________. I hereby certify under penalty of perjury that the information I have given is true and correct to the best of my knowledge and belief. __________(signature) __________ (date).

(19) County clerk's section with words and spaces as appropriate, requiring the county clerk to:

(a) Enter the type, name of the issuer, identifying number and date of issue, of the document supporting the application, together with its document control number (as distinguished from title number) and the taxes and fees to be collected, including the number of months of registration sold, the month and year of expiration, and such decal numbers as may be required to permit audit of fee collections;

(b) Words requiring, and spaces for entry of, the name of the county in which the application was received together with the date and time of receipt, and space for the signature of the clerk or deputy, which shall be preceded by the words "I certify under penalty of perjury that I have reviewed this application and the documents supporting it; all supporting documents indicated hereon are present and consistent in pertinent part with this application, that I received the application on the date and at the time indicated hereon, and that I collected the fees as indicated. __________ (signature of clerk or deputy clerk, date, county).

(20) A statement that "I certify under penalty of perjury that this record was entered with due diligence into the automated system by me at or about ________(time) __________(date) __________(signature) __________ (title).

(21) Spaces for stamping the date and time of receipt of the application by the bureau of vehicle regulation and for the signature or prescribed symbol of the receipt clerk and for endorsements by processing clerks.

(22) A space for endorsement that title issuance was recommended to the bureau of vehicle regulation __________(date, time) by __________(signature) which shall be preceded by the words "I certify under penalty of perjury that due diligence has been exercised in recommending issuance of title No. __________ in the name of the applicant for the vehicle described above __________(signature, date).

(23) The form may contain or require any other information deemed appropriate by the bureau of vehicle regulation in cooperation with the departments of revenue and insurance and the bureau of state police, and may be organized as efficiency dictates.

SECTION 17. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Except as otherwise provided, before the owner of a motor vehicle or trailer may operate it or permit its operation upon the highways of this state, he shall apply for and obtain a certificate of registration, and a license plate therefor in his name, and if the motor vehicle or trailer is of a year model designated 1983, or any year model thereafter, a certificate of title in his name.

SECTION 18. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) If the secretary of the department of transportation determines that each county in the Commonwealth cannot be equipped with operational terminals and associated devices consistent with this chapter, in sufficient time to efficiently implement the titling of vehicles of the year model 1983, or any year thereafter, he shall report such determination in writing, with reasons stated, to the governor not later than January 1, 1982.

(2) The governor may by executive order, extend by one (1) year, to 1984, the first year model of vehicles for which a certificate of title must be obtained in this state. Such order shall be made prior to June 30, 1982.

(3) The secretary of transportation shall, upon issuance of an executive order as provided in this section, give formal notice to appropriate agencies that such extension has been made. the requirements of this chapter and the cause of any delay.

SECTION 19. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No Kentucky certificate of registration, license plate, or certificate of title need be applied for or obtained for:

(1) A vehicle owned by the United States unless it is registered in this state;

(2) A vehicle owned by a manufacturer or dealer and held for sale, even though incidentally moved on the highway or used for purposes of testing or demonstration; or a vehicle used by a manufacturer solely for testing;

(3) A vehicle owned by a non-resident of this state, principally operated in another state, properly and currently registered and titled in another state;

(4) A vehicle regularly engaged in the interstate transportation of persons or property for which a currently effective lawful certificate of title has been issued in another state;

(5) A vehicle moved solely by animal power;

(6) An implement of husbandry;

(7) Special mobile equipment;

(8) A self-propelled wheel chair or invalid tricycle;

(9) A pole trailer;

(10) A motor vehicle engaged in the transportation of passengers for hire operating under a currently valid certificate of convenience and necessity;

(11) Moped.

SECTION 20. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No county clerk shall accept an application for a certificate of registration, license plate, and when required, a certificate of title, unless the vehicle bears an apparently legitimate vehicle identification number, and if required, an apparently legitimate motor and frame number, as indicated by an owner's application.

SECTION 21. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The owner of a vehicle required to be registered in this state which:

(a) Does not have a legitimate vehicle identification number as affixed by a manufacturer regularly engaged in the original manufacture of the type vehicle for which registration is sought, or in accordance with the law of this or another state, or

(b) Has been built from parts, shall, before making application for registration of the vehicle, apply to the bureau of state police for issuance of a vehicle identification number plate, which shall be affixed to the vehicle in the manner prescribed by administrative regulations of the bureau of state police.

(2) The bureau of state police shall establish in cooperation with the bureau of vehicle regulation regulations governing the form of application required by this section, and may require inspection of the vehicle before a vehicle identification number plate has been issued and after such plate has been affixed to the vehicle.

SECTION 22. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

An owner of a vehicle for which a certificate of registration, license plate, and when required, a certificate of title must be obtained in this state, shall be allowed a ten (10) day grace period from the date on which he purchased a vehicle or brings a vehicle into the Commonwealth from another state, during which time the owner shall apply for and obtain a certificate of registration and a license plate in his name and, if required, apply for a certificate of title.

SECTION 23. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Whenever a vehicle for which a certificate of registration, license plate, and when required, a certificate of title, is operated upon the highways of this state, during the application grace period, the operator of such vehicle shall have proof of ownership in his custody, and shall exhibit such proof upon demand of a law enforcement officer.

SECTION 24. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) A motor vehicle dealer licensed under KRS 186.070 who sells a vehicle for use upon the highways of this state which has not previously been registered in this state, shall, unless the vehicle is bearing a license plate issued therefor in the name of the purchaser at the time it is delivered to the purchaser, equip the vehicle with a temporary tag executed in the manner prescribed below, which shall be valid for ten (10) days from the date the vehicle is delivered to the purchaser. A motor vehicle dealer licensed under KRS 186.070 shall apply to the county clerk of the county in which the dealer maintains his principal place of business for issuance of temporary tags. Application shall be made for such tags on forms supplied to the county clerk by the department of transportation.

(2) The county clerk of any county who receives a proper application for issuance of temporary tags shall record the number of each tag issued upon the application of the dealer for such tags, or if a group of consecutively numbered temporary tags are issued to a dealer in connection with a single application, record the beginning and ending numbers of the group on the application.

(3) The clerk shall retain, for a period of two (2) years, one (1) copy of the dealer's temporary tag application, and ensure that it reflects the numbers appearing on the tags issued with respect to such application, and shall, within five (5) days after issuing temporary tags, forward a copy of the application showing thereon tag numbers issued, postpaid, to the bureau of vehicle regulation.

SECTION 25. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Motor vehicle dealers and their agents, before equipping a vehicle with a temporary tag, shall print or stamp in waterproof ink, legibly, in the spaces provided on such tag:

(1) The month, day and year the vehicle was delivered to the purchaser,

(2) The month, day and year of expiration of the tag which shall be no more than ten (10) days following the date of delivery of the vehicle to the purchaser,

(3) The purchaser's name,

(4) The year model, make and vehicle identification number of the vehicle sold, and

(5) The dealer's name, city of principal place of business and the telephone number including telephone area code.
The dealer's employe who executes the temporary tag shall place his signature in the space provided. A dealer who issues, or whose agents issue, temporary tags shall keep a log of each temporary tag obtained, and each such tag issued, showing all information entered by the dealer or dealer's agent on forms supplied by the department, and shall make such log available for inspection by any law enforcement officer upon request. Such log shall be retained by the dealer for a period of at least two (2) years following the date of issuance of the last dated tags whose issuance is indicated on any individual temporary tag log sheet.

SECTION 26. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Both the dealer and the dealer's salesman or agent shall be liable for separate penalties for issuance of a temporary tag prior to sale of the vehicle on which the tag is placed by the dealer, for placement of a tag on a vehicle other than one purchased by the purchaser shown on such tag, for failure to fully execute as provided in this section a temporary tag which is placed upon a vehicle, and for failure to maintain the records required by this section.

SECTION 27. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Except as otherwise provided in this section, the owner of every vehicle brought into this state and required to be registered in this state, or which is brought into this state by other than a motor vehicle dealer licensed to do business in this state, shall, before submitting his application for registration and when

required, title, to the county clerk, have the vehicle together with his application for registration and its supporting documents inspected by a certified inspector in the county in which the application for registration is to be submitted to the county clerk.

(2) The following vehicles are excluded from the requirement of inspection by a certified inspector prior to registration in this state:

(a) New motor vehicles sold by a dealer licensed in this state;

(b) Vehicles required to be registered in this state by reason of lack of a reciprocity agreement with another state and for which a non-negotiable registration document is to be issued; and

(c) Motor vehicles operated by a motor carrier under a non-negotiable certificate or permit issued by the bureau of vehicle regulation.

(3) When presented to a certified inspector for inspection or to a county clerk for processing, the owner's application for a first certificate of registration in his name, and when required, a certificate of title, shall be accompanied by one of the following documents as applicable:

(a) If the vehicle is a new vehicle not previously registered in this state, the properly assigned manufacturer's statement of origin for the vehicle for which registration and when required, a certificate of title is sought.

(b) If the vehicle was last registered in this state, and is a vehicle for which a title is not required in this state, a properly assigned certificate of registration, or, if the vehicle is one for which a certificate of title is required in this state, a properly assigned certificate of title.

(3) If the vehicle was last previously titled in another state, a properly assigned certificate of title.

(4) If the application refers to a vehicle previously registered in another country, the documents of that country establishing ownership of the vehicle.

(5) If the application refers to a vehicle last previously registered in another country by a person on active duty in the armed forces of the United States, the county clerk may accept on behalf of the bureau of vehicle regulation evidence of ownership provided the applicant by the United States department of defense.

(6) If the application relates to a vehicle which has been specially constructed or reconstructed, that fact shall be stated in the application, and the application shall be accompanied by such documents as are specified by administrative regulations of the bureau of vehicle regulation.

(7) When requested to inspect a vehicle pursuant to this section, the certified inspector shall personally and physically inspect the vehicle for which registration is sought in this state, together with the vehicle transaction record form, and its supporting documentation, on the following points:

(a) He shall ensure that the vehicle transaction record and each of its copies are legible and properly executed to the extent required at the time of execution;

(b) He shall compare the vehicle identification number as appearing on both the vehicle identification number plate, and the federal safety standards label of the vehicle which is sought to be registered, with the corresponding number inscribed on the vehicle transaction record, and its supporting documentation, and ensure that the vehicle identification number appearing at each described location appears legitimate and that they are consistent with each other;

(c) He shall examine the primary odometer of the vehicle and legibly record the reading in the space provided in the inspection section of the transaction record; and

(d) After exercising due diligence in inspecting the vehicle, the vehicle transaction record, and its supporting documentation, and finding that they appear to be in order, the certified inspector shall execute the pre-printed certificate of inspection according to its terms by printing in the spaces provided, his first name, middle initial and last name, and his title, the name of the county in which he serves and the telephone number including the telephone area code of his agency, and sign in ink his signature in the space provided, and print the month, day and year in which his inspection was made, certifying under penalty of perjury the character, accuracy and date of his inspection.

(8) The certified inspector shall refrain from executing the certificate of inspection if:

(a) He has not personally and physically inspected the vehicle in accordance with this section;

(b) He has reason to believe that the vehicle displays an unlawfully altered vehicle identification number;

(c) The vehicle transaction record and any of its copies are illegible or otherwise improperly executed, or contain information reasonably believed to be inaccurate or fraudulent;

(d) The documentation required in support of an application is not present, or not consistent with the vehicle and the owner's application or appears fraudulent; or

(e) He has probable cause to believe the vehicle is stolen.

SECTION 28. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Application for a first certificate of registration, license plate, and when required, a certificate of title, shall be made by the owner to the county clerk of the county in which he resides, except that, if a vehicle is purchased from a dealer other than in the county in which the purchaser for use resides, the purchaser, or the dealer on behalf of the purchaser, may make application for registration to the county clerk in either the county in which the purchaser resides, or in the county in which the dealer's principal place of business is located.

(2) A new vehicle, when first registered in this state, shall be registered in the name of the first owner for use rather than in the name of a dealer who held the vehicle for sale.

(3) If the owner of a vehicle required to be registered in this state does not reside in the Commonwealth, the vehicle shall be registered with the county clerk of the county in which the vehicle is principally operated.

(4) If the owner of a vehicle is other than an individual and resides in the Commonwealth, the vehicle shall be registered with the county clerk in either the county in which the owner resides or in the county in which the vehicle is principally operated.

SECTION 29. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Application for a first certificate of registration, and when required, certificate of title, in the name of an owner shall be made on forms prescribed by the bureau of vehicle regulation consistent with this chapter, which shall be available from any county clerk.

(2) Application forms shall be completed, except as to required signatures by legibly printing in ink, or typing, all required information. When a signature is required, such signature shall be given attesting under penalty of perjury to the truth and accuracy of the information supplied.

(3) The application, when presented to the county clerk, shall contain all required information and be fully executed with all required signatures present, and be accompanied by all required supporting documentation and fees.

(4) The county clerk shall reject any application upon which the information provided is not legibly printed or typed, the required information is not supplied, not accompanied by required supporting documents, not properly executed with required signatures, or when the clerk determines that the application is improper or that the applicant is not entitled to registration of the vehicle for which registration, and when required, certificate of title is sought, or in the absence of the required fees.

SECTION 30. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

There shall be paid for issuing and processing documents required by this chapter fees according to the following schedule:

(1) Each application for a certificate of title shall be seven dollars ($7), of which the county clerk shall retain two dollars ($2).

(2) Each application for a replacement or corrected certificate of title shall be six dollars ($6) of which the county clerk shall retain two dollars ($2), provided however, that if a corrected certificate must be issued because of an error of the county clerk or the bureau of vehicle regulation, there shall be no charge.

SECTION 31. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) When the commissioner of the bureau of vehicle regulation determines that the automated vehicle registration and titling system is operational in a county, he shall so notify the county clerk of such county by a notarized statement sent to the county clerk by certified mail.

(2) After receiving the notice provided for by this section, the county clerk shall issue only those certificates of title and registration, or certificates of registration that have been produced through the automated vehicle registration and titling system, unless otherwise authorized by the administrative regulations of the bureau of vehicle regulation.

SECTION 32. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The bureau of vehicle regulation shall provide by administrative regulations, procedures for registration, and when required titling, for a vehicle in a county not equipped with automated facilities provided for by this chapter, or whose facilities have been rendered useless for a period exceeding one (1) day by reason of calamity.

(2) Procedures developed under this section shall be consistent with concepts that liens associated with motor vehicles shall be filed with the county clerk, and that a title shall be issued centrally from Frankfort, after careful review of an application to determine correctness and legitimacy of it.

SECTION 33. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Upon receiving an application of an owner for a first certificate of registration in his name and if required, a certificate of title, the county clerk or deputy clerk shall review the form, and each copy thereof, for legibility, completeness, and consistency of information. The clerk shall ensure that all documents required in support of the application accompany the application and that they are consistent in pertinent part with the statements upon the application.

(2) Upon determining that an application is in proper form, the county clerk or his deputy shall complete those elements of the form reserved to the county clerk, endorse the application in the manner directed upon the form, and then enter designated information from the application into the automated system, in the manner required by administrative regulations of the bureau of vehicle regulation consistent with this chapter.

SECTION 34. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

In the event that, at the time an application for a certificate of registration, and when required, a title, is presented to the county clerk, the automated system is not capable of accepting entry of the record of an application and producing a certificate of registration, the county clerk shall advise the applicant of the outage, and after accepting the owner's application, and collecting the required taxes and fees, indicate receipt of the application in the required manner, and issue to the applicant, the applicant's copy of the application which shall serve as a temporary certificate of registration until the certificate of registration produced by the automated system is received by the applicant. The clerk shall advise the applicant, or the applicant's agent, that the regular certificate of registration will be mailed to the applicant or the applicant's agent in due course, or held for call by the applicant or the applicant's agent, at the applicant's discretion.

SECTION 35. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

When the automated system becomes operational following a system outage, it shall be the duty of the county clerk to ensure that all applications received during the system outage are promptly entered into the system and that the certificates of registration produced by the automated system are promptly mailed postpaid or delivered to the owner.

SECTION 36. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The county clerk shall, upon issuing a certificate of registration, give or mail postpaid to the owner, his designated copy of his application, and if the seller or transferror's designated copy accompanied the owner's application when it was presented to the county clerk, the clerk shall make that copy available to the seller or transferror.

(2) The county clerk shall then file the clerk's copy of the owner's application in the manner stipulated by administrative regulations of the bureau of vehicle regulation.

(3) The department of revenue copy of the owner's application shall be forwarded to the department of revenue in the manner specified by its regulation.

SECTION 37. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Not later than 3 p.m. on the next business day after an application for a first certificate of registration and a certificate of title for a vehicle of a year model 1983 or any year thereafter, is received by him, the county clerk shall prepare in triplicate on forms supplied by the bureau of vehicle regulation, an application transmittal record.

(1) The clerk shall indicate thereon in the spaces provided, the name of his county, the date or time period the transmittal relates to and, in the order they are to be attached to the transmittal record, a notion for each application attached consisting of the applicant's last name and initials or if the applicant is other than an individual, the name commonly used by the applicant and the tentative title number and any other information required upon the form as indicated thereon.

(2) The clerk shall ensure that the original of all applications noted on the transmittal, together with the original of all required supporting documents are attached to the transmittal record in the order shown thereon, and shall thereafter sign and date the original of the transmittal record as of the date the transmittal is being forwarded to Frankfort.

(3) The county clerk shall place the original of each application record, with the original of each application shown thereon, and its required supporting documents, together with the acknowledgment copy of the transmittal record, in the envelope or other container provided by the bureau of vehicle regulation.

(4) The clerk shall then place the envelope or container with first class postage paid, directly into the hands of an employe of the U. S. postal service who is empowered to receive such mail, or in the alternative, place the envelope or other container into the proper receptacle for first class mail at the main post office of his county.

SECTION 38. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The bureau of vehicle regulation shall:

(a) Within five (5) working days following receipt by it of an application for a certificate of title in proper form, process the application and its supporting documents in the manner provided in this section, and, unless it finds discrepancies with respect to it or its supporting documents, issue a certificate of title in the name of the owner and send it postpaid to such owner.

(b) The bureau of vehicle regulation shall provide by regulation, a procedure for direct delivery, as distinguished from delivery by mail, of a certificate of title to an owner or owner's agent, and may establish a fee deemed reasonable by it for such service.

(2) Upon receiving an application packet from a county clerk, the application receipt clerk of the bureau of vehicle regulation shall:

(a) Cause the date and time of receipt to be stamped on both the bureau's copy and the acknowledgment copy of the application transmittal record and accompanying documents;

(b) Cause at least duplicate sets of microform images to be made of each transmittal record application and supporting document by a means that will provide rapid, selective, automated retrieval of individual document images by appropriate indexing methods or keys;

(c) Compare the application transmittal record with the documents accompanying it, and, if all applications shown upon the record are accompanying the record, endorse the bureau's copy of the transmittal record and the acknowledgment copy, and forward the acknowledgment copy to the clerk who issued it.

(3) In the event there is a discrepancy between the application transmittal record and the applications attached to it, the bureau of vehicle regulation shall note the discrepancy upon the bureau's copy and the acknowledgment copy, and shall promptly contact the issuing clerk and resolve the discrepancy. After resolving the discrepancy, the bureau shall note the nature of the disposition of the discrepancy and endorse the respective copies and forward the acknowledgment copy with the discrepancy disposition noted thereon to the issuing clerk.

(4) After executing the acknowledgment of receipt of applications, the bureau of vehicle regulation shall carry out the following action with respect to each application:

(a) Examine the owner's application for legibility and proper execution, presence of required information, including required supporting documents, and the presence of required signatures. The bureau of vehicle regulation shall ensure also that the required supporting documents are consistent in pertinent part with the information shown on the owner's application;

(b) The documents supporting an owner's application shall be examined as to authenticity and to determine if fraudulent alteration has occurred;

(c) Assure that the vehicle identification number of the subject vehicle is apparently legitimate;

(d) Ensure that the vehicle identification number and any other appropriate information with respect to a vehicle for which a certificate of title has been applied for is compared against the national crime information center (NCIC) computerized listings of vehicles reported stolen, unless NCIC is not operational and the bureau has official notification that it is not expected to be operational within four (4) working days following the day on which an application for a certificate of title is received by it;

(e) Compare the computer produced certificate of title for consistency with the owner's application and supporting documents.

(5) When the title application examination has been completed, and the application examiner at each significant stage has indicated, by placing his unique symbol upon the application in the space provided thereon, that an application has passed the required examinations, the application shall be examined by a title examination certifier.

(6) The title application certifier shall ensure that each application has received the required examinations as indicated by the presence of each required examiner's symbol. Upon satisfying himself that an application has passed the required examinations, the title examination certifier shall place his unique symbol together with the date upon the application.

(7) The bureau of vehicle regulation shall withhold issuance of a title, until its questions are resolved to its satisfaction, when it finds material discrepancies or has information giving probable cause to believe:

(a) That an applicant is not the lawful owner of a vehicle for which he seeks a title;

(b) His application is not in order;

(c) The documentation supporting an application is insufficient or fraudulent;

(d) The vehicle has an illegitimate vehicle identification number;

(e) The vehicle is stolen; or

(f) That the computer produced certificate of title is not consistent with the owner's application.

(8) When the bureau of vehicle regulation finds that a certificate of title should be issued for a vehicle, the endorsement of the commissioner of the bureau of vehicle regulation shall be engrossed upon the certificate of title following a pre-printed statement which shall read: I certify that the bureau of vehicle regulation has exercised due diligence in examining an application for a certificate of title for the above-described vehicle, and to the best of our knowledge and belief, the applicant whose name appears above is the lawful owner of the apparently legitimate vehicle described herein. *(signature)* , commissioner, bureau of vehicle regulation, Kentucky department of transportation.

SECTION 39. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Each certificate of title issued by the bureau of vehicle regulation shall contain:

(1) The date of its issue;

(2) The name, social security account number or employer identification number, and current mailing address of the owner, to include zip code;

(3) The names and address of any lienholders, not exceeding two (2);

(4) The title number;

(5) A description of the vehicle including the following data: year, make, model name, model number, vehicle identification number, type of body, number of cylinders, color or colors not exceeding one upper and one lower color, if the vehicle is a truck, its gross weight;

(6) If last titled in another state, the name of the state and the title number;

(7) Forms for assignment and warranty of title by the owner, and for assignments and warranty of title by dealers;

(8) Any other information the department requires;

(9) A certificate of title issued by the department is prima facie evidence of the facts appearing on it.

SECTION 40. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

An owner who has obtained a certificate of title pursuant to this chapter may apply for and obtain an updated certificate, but shall not be required to periodically renew a certificate of title that has been issued to him.

SECTION 41. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation shall:

(1) Be the custodian of the original of each application for a certificate of title, and its supporting documents. It shall retain such records in accordance with a records retention and destruction schedule established pursuant to the archives and records statutes of this state.

(2) Furnish on a periodic basis not less than quarterly to other states, either the original, or a copy, or listings of all certificates of title received from them, to include title and document control numbers in addition to the vehicle description and owner information.

(3) Maintain active liaison with other states regarding vehicle titling and its auto-theft implications, and obtain from them on a regular basis, listings of documents reported missing or stolen or counterfeit.

SECTION 42. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Financing statements relating to vehicles required to be registered in Kentucky through the county clerk shall be filed in the office of the county clerk of the county in which the debtor resides or, if the debtor is a non-resident, in the office of the county clerk in which the vehicle is principally operated.

(2) Before ownership of a vehicle subject to a lien evidenced by a financing statement executed pursuant to KRS Chapter 355 may be transferred, the transferror shall obtain the release of the prior liens in his name against the vehicle being transferred.

(3) No more than two (2) active financing statements as provided by KRS Chapter 355 may be recorded upon a certificate of registration or a certificate of title.

(4) In recording the filing of a financing statement upon a certificate of registration and, when required, a certificate of title, the county clerk shall ensure that the certificate of title and registration bear the lienholder's name, mailing address and zip code, the date the lien was filed, its file number and the county in which the financing statement is on file.

SECTION 43. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

With respect to a vehicle of a year model prior to 1983, if a financing statement and the required fees accompany the application for first registration of a vehicle in the name of an owner, the county clerk shall enter the information required by Section 35(4) of this Act above into the automated system so as to produce a certificate of registration bearing in addition to any other required information, the information designated by Section 35(4) of this Act and shall immediately mail or give the certificate of registration to the owner.

SECTION 44. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) With respect to a vehicle of a year model prior to 1983, previously registered in the name of its debtor, the secured party shall, within ten (10) days after execution of the security agreement, obtain the current certificate of registration in the name of the debtor, with no more than one prior lien indicated thereon, and present it together with the financing statement and the required fees to the county clerk.

(2) The county clerk, utilizing the automated system, shall immediately produce a new certificate of registration bearing all information shown upon the surrendered certificate, and any other information required by the bureau of vehicle regulation, in addition to the information required by Section 35(4) of this Act above, and promptly deliver or mail postpaid, the new certificate of registration to the owner.

(3) The county clerk shall indelibly mark the surrendered certificate of registration using a device specified by the bureau of vehicle regulation containing the county name and the words "cancelled lien filed" and shall print or type the chattel number and date and his initials upon the cancelled certificate, which shall be filed with the clerk's numerical copies of the surrendered and current certificates of registration, except as provided in subsection (4) of this section.

(4) If the cancelled surrendered certificate of registration was originally issued in a county other than the one in which the financing statement is filed, the county clerk who cancels a certificate of registration upon issuing a new certificate of registration, shall immediately mail the cancelled certificate, or other form of notice required by the bureau of vehicle regulation, with the new lien information shown thereon, to the clerk of the county in which that certificate of registration was originally issued.

(5) Upon receipt of the cancelled certificate of registration or notice with the new lien information shown thereon, the receiving clerk shall note the security interest on his copy of the certificate and attach the cancelled original certificate with the lien information shown thereon, to the face of his copy thereof in his alpha/numeric file.

SECTION 45. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

If a lien is to be filed with respect to a vehicle which is required to have a certificate of title, the county clerk shall:

(1) If the vehicle has not been last previously registered in this state, and a financing statement and the required fees accompany an owner's application for a first certificate of registration and a certificate of title, the county clerk shall enter into the automated system, all information required to produce a certificate of registration and a certificate of title and, in addition, all lien information required as provided in Section 35(4) of this Act. The clerk shall thereby produce, in accordance with the design of the automated system, a certificate of registration and a certificate of title, both of which shall be imprinted with the lien information required in Section 35(4) of this Act. The application shall be processed and the title mailed to the owner pursuant to the provisions of this Act.

(2) (a) If the vehicle was last previously registered in this state and its title was withheld pending receipt of lien data, the owner or his agent shall surrender to the county clerk the current certificate of registration together with the financing statement and required fees. The clerk shall examine the certificate of registration, and determine from it, whether, at the time of initial registration of the vehicle, the automated system was instructed to withhold production of a certificate of title pending receipt of lien data. If such instruction was given the system, indication of it will, in accordance with the system design, be imprinted within the lien data section of the certificate in the words "title held for lien data," or similar indication.

(b) If the certificate of registration indicates that the certificate of title for the vehicle was withheld, the county clerk shall, using the automated system, recall the record of the vehicle as contained within the system, and verify the data appearing on his terminal, with that on the certificate of registration surrendered to him. If the data appearing on the terminal is consistent with the data on the certificate of registration surrendered to him, and the financing statement is in order, the clerk shall enter the lien data as required by Section 35(4) of this Act and any other required information, thereby causing a new certificate of registration, and a certificate of title to be produced, both bearing the required lien information.

(c) The clerk shall visually verify that the new certificate of registration bears the required lien information before issuing the new certificate to the owner.

(d) The clerk shall indelibly mark the surrendered certificate of registration using a device containing the county name and the words "cancelled — lien filed," and enter the chattel number and date and his initials upon such cancelled certificate.

(e) If the surrendered certificate of registration which has been cancelled was originally issued in another county, the county clerk shall forward the cancelled certificate to the county of origin, or otherwise give notice of the lien filing, in the manner directed by the department of transportation.

(3) (a) If the vehicle against which a financing statement is sought to be filed was last previously registered in this state and a title was not withheld at the time of initial registration, the county clerk shall require the surrender of the current certificate of registration, and if a title was issued for the vehicle, the certificate of title, together with the financing statement and required fees.

(b) If a certificate of title was issued for the vehicle against which a financing statement is sought to be filed, the certificate will, in accordance with the design of the automated system and the data entered into such system by the county clerk, indicate that a title was ordered issued, and therefor is outstanding.

(c) The county clerk shall indelibly cancel the surrendered certificate of registration and the certificate of title, in the manner described in Section 37(3) of this Act and after assigning a chattel number to the financing statement, enter the lien information required by Section 35(4) of this Act into the automated system. Such action shall result in the production of a new certificate of registration, and a new certificate of title. both bearing the same required lien data. The clerk shall issue or mail postpaid to the owner, such new certificate of registration.

(d) The county clerk shall file or handle the cancelled certificate of registration in the manner directed by the bureau of vehicle regulation. The cancelled certificate of title shall be promptly forwarded, together with a transmittal form similar to that used in transmitting original applications, postpaid to the bureau of vehicle regulation.

(e) The bureau of vehicle regulation shall, upon receiving a certificate of title cancelled for lien data, process the cancelled certificate under the same procedures as applied to original applications for certificates of title, and, unless discrepancies are present, forward a new certificate of title, showing lien data thereon, to the owner.

SECTION 46. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Whenever a security interest is assigned as provided by KRS 186.045(4), the county clerk of a county that is operating under automated procedures shall, in addition to carrying out the requirements of him as stated therein, enter the record of lien assignment into the automated system in the manner directed by the bureau of vehicle regulation.

SECTION 47. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Whenever a security interest to a vehicle has been discharged as provided by KRS 186.045(5), the county clerk of a county that is operating under automated procedures shall, upon receiving a termination statement, promptly enter the record of termination into the automated system in the manner directed by the bureau of vehicle regulation, and take such other action with respect to a termination as is directed by the bureau of vehicle regulation.

SECTION 48. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) If an owner transfers his interest in a vehicle, he shall, at the time of the delivery of the vehicle, execute an assignment and warranty of title to the transferee in the space provided therefor on the certificate of title, and execute the applicable portions of the vehicle transaction record provided for by this chapter, and cause the vehicle transaction record with the certificate of title attached to be delivered to the transferree.

(2) The transferree shall, promptly after delivery to him of the vehicle, execute the application for a new certificate of title and registration, or certificate of registration, and when required, certificate of title, by executing the applicable portions of the vehicle transaction record provided to him by his transferor.

(3) The vehicle transaction record with its supporting documentation attached shall promptly be surrendered to the county clerk as provided in Section 21 of this Act, together with the required fees.

SECTION 49. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) With respect to vehicles of a year model 1983 or any year thereafter, when any motor vehicle dealer licensed in this state buys or accepts such a vehicle in trade, which has been previously registered or titled for use, whether in this or another state, and which he holds for resale, he shall not be required to obtain a certificate of title for it, but shall, within ten (10) days after acquiring such vehicle, obtain the registration of it in his name.

(2) Upon purchasing such a vehicle or accepting it in trade, the dealer shall obtain from his transferor, a properly executed vehicle transaction record, to include the odometer disclosure statement thereon, together with a properly assigned certificate of registration and a properly assigned certificate of title, unless the vehicle is from another state and is not accompanied by a certificate of registration.

(3) The dealer shall execute his application for registration upon the vehicle transaction record provided by his transferor, and shall surrender both the transaction record containing his application, together with the properly assigned certificate of registration or other document designated by the bureau of vehicle regulation, to the county clerk of the county in which he maintains his principal place of business. Such clerk shall issue to him as produced through the automated system, a certificate of registration in the name of his dealership.

(4) The dealer shall retain the properly assigned certificate of title received from his transferor, and may make any reassignments thereon until the forms for dealer assignment on both the certificate of title and the certificate of registration issued in his name are exhausted. The bureau of vehicle regulation may, if it deems it warranted, after consultation with the bureau of state police, provide a special document to allow for additional dealer assignments without requiring system generated documents.

(5) When he assigns the vehicle to a purchaser for use, he shall deliver the properly assigned certificate of registration in his name, together with the properly assigned certificate of title, and a properly executed vehicle transaction record, to such purchaser, who shall make application for registration and a certificate of title thereon.

(6) The bureau of vehicle regulation shall assure that the automated system is capable of accepting instructions from the county clerk that a certificate of title shall not be produced under a dealer registration situation.

SECTION 50. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation shall establish appropriate forms and procedures to be utilized in connection with the transfer of a motor vehicle or trailer by operation of law.

SECTION 51. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Nothing in this chapter shall be construed as requiring that a trade-in vehicle received by a motor vehicle dealer licensed in this state must be registered in the dealer's name substantially simultaneously with the registration and titling of the vehicle toward which the trade-in vehicle was received.

SECTION 52. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Whenever any person after making application for or obtaining a certificate of registration for a vehicle, and when required a certificate of title, shall move from the address named in the application or shown upon a registration card or certificate of title, such person shall within ten (10) days thereafter notify the bureau of vehicle regulation in writing of his old and new addresses.

(2) Whenever the name of any person who has made application for or obtained a certificate of registration and, when required, a certificate of title for a vehicle is thereafter changed by marriage or otherwise such person shall within ten (10) days notify the bureau of vehicle regulation of such former and new name.

SECTION 53. A NEW SECTION KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) When any certificate of registration or certificate of title has been issued in error to a person not entitled to the certificate, or contains incorrect information or information has been omitted from the certificates, the bureau of vehicle regulation shall notify in writing the person to whom the certificates have been issued or delivered and such person shall immediately return such certificate within forty eight (48) hours, together with any other information necessary for the adjustment of the records related to it, to the county clerk of the county in which the title was originally applied for, or as otherwise directed by the bureau of vehicle regulation.

(2) Upon receipt of the certificates and information requested, the county clerk and the bureau of vehicle regulation shall coordinate the production of a corrected certificate of registration and certificate of title, and the cancellation of the erroneous documents by the bureau of vehicle regulation, and ensure that corrected documents are sent to the appropriate party.

(3) Production of corrected documents shall be carried out under procedures similar to those applicable to production of an original certificate of title. The bureau of vehicle regulation shall supply to the county clerk such forms as may be needed to assure documentation of corrective action in accordance with this section.

SECTION 54. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) If a certificate of title is lost, stolen, mutilated or destroyed or becomes illegible, the owner or legal representative of the owner named in the certificate, shall promptly make application to the county clerk for and may obtain a duplicate, upon furnishing information satisfactory to the bureau of vehicle regulation. The duplicate certificate of title shall contain appropriate words or symbols to indicate that it is a duplicate. It shall be mailed to the owner.

(2) The bureau of vehicle regulation shall make provisions for production and issuance of a duplicate title where update of information thereon is requested. The provisions shall be generally consistent with the procedures for production and issuance of a certificate of title in the first instance as provided in this chapter.

(3) A person recovering an original certificate of title for which a duplicate has been issued shall promptly surrender the original certificate to the bureau of vehicle regulation.

(4) Applications for documents provided for by this section shall be made to the county clerk upon forms provided to him by the bureau of vehicle regulation.

SECTION 55. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The bureau of vehicle regulation shall suspend or revoke a certificate of title, after giving notice and providing a reasonable opportunity for the holder to be heard, when authorized by any other provision of law, or, if it finds:

(a) The certificate of title was fraudulently procured or erroneously issued, or

(b) The vehicle has been scrapped, dismantled or destroyed. Suspension or revocation of a certificate of titles does not, in itself, affect the validity of a security interest noted on it.

(2) When the bureau of vehicle regulation suspends or revokes a certificate of title, the owner or person in possession of it shall, immediately upon receiving notice of the suspension or revocation, mail or deliver the certificate to the bureau of vehicle regulation.

(3) The department shall promptly notify the bureau of state police of the suspension or revocation of any certificate of title.

(4) Any peace officer shall seize and impound any certificate of title which has been suspended or revoked except when such document is in the custody of the bureau of vehicle regulation or the bureau of state police.

SECTION 56. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation shall promptly notify the bureau of state police of the particulars of:

(1) Any attempted or actual registration or titling in this state of a stolen motor vehicle, or trailer, or motor vehicle or trailer whose true identity is in doubt, of which it becomes aware;

(2) Counterfeit, stolen or altered ownership document it receives; and

(3) Attempts to supply, or supplying to it, of false or fraudulent information in any application for a certificate of registration, certificate of title for a motor vehicle or trailer in this state.

SECTION 57. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person, including a county clerk and his employes shall wilfully utilize or tamper with a telecommunications terminal, or associated devices, linked to the automated vehicle registration and titling system

and capable of entering data or electronic signals into, altering information stored within, or obtaining information or electronic signals from, the automated vehicle registration and titling system unless he has current authorization from the commissioner of the bureau of vehicle regulation to utilize the system;

(2) He has, previous to utilizing such terminal or associated devices in a given county, satisfactorily completed an orientation as given by the bureau of vehicle regulation concerning the forms, procedures, and use of the system, as certified by the county clerk or county clerk elect of the county in which his use of the system will take place; and

(3) He has been assigned, and has received, a unique personal identifying code or device from the bureau of vehicle regulation.

SECTION 58. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Each county clerk, or county clerk elect, shall, before utilizing or permitting his employes to utilize the automated vehicle registration and titling system, ensure that he and his employes have satisfactorily completed an orientation course regarding the forms, procedures and use of the system conducted by the department of transportation.

(2) The county clerk, or county clerk elect, shall certify to the commissioner of the bureau of vehicle regulation, those of his employes or prospective employes, who, together with himself, having satisfactorily completed the required orientation, will utilize the automated system under his direction.

(3) His certification shall be made by printing or typing upon a form supplied by the bureau of vehicle regulation, the name of his county, and as to himself and each of his employes who will utilize the system, their last name, first name, and where available middle initial, their birth date, social security account number, and the date and place the orientation given by the bureau of vehicle regulation was completed, as to each person shown upon the certificate. The county clerk shall sign and date the certificate following a preprinted statement that shall read: I certify under penalty of perjury that the persons whose names appear above have satisfactorily completed an orientation on use of the automated vehicle registration and titling system as provided by this chapter and that the information supplied is true and correct to the best of my knowledge and belief. I will not wilfully permit anyone other than those persons shown hereon, or on another certificate of this same type executed by me, and persons authorized in writing by the bureau of vehicle regulation, to use telecommunications terminals linked to the automated system and under my control.

(4) Each county clerk shall promptly notify the bureau of vehicle regulation on a form supplied by it, of the name of any employe whose authorization to utilize the automated system has been terminated by him or whose employment by such clerk has ceased.

(5) Every county clerk and each of his employes who is authorized to utilize the automated system shall promptly report to the bureau of vehicle regulation any attempted, actual, or suspected misuse of the automated system of which they become aware.

SECTION 59. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Upon receiving notice that a person who has previously been authorized to utilize the automated system has wilfully or negligently misused the automated vehicle registration and titling system, the commissioner of the bureau of vehicle regulation may temporarily suspend such person's authorization to utilize the system.

(2) Whenever he suspends or revokes any person's authorization to utilize the automated vehicle registration and titling system, the commissioner of the bureau of vehicle regulation shall give immediate notice of such revocation to the person whose authorization has been suspended or revoked and if such person is not the county clerk, then notice shall be given also to the county clerk of the county in which the person is employed.

(3) No person whose authorization to utilize the automated system has been suspended or revoked shall utilize such system following notice of such action until his authorization to utilize the system is restored by the commissioner of the bureau of vehicle regulation.

SECTION 60. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No county clerk or other person who is authorized to utilize the automated vehicle registration and titling system, shall knowingly and wilfully enter into such system, information enabling the system to produce a certificate of title and registration, certificate of registration, or certificate of title, or enter the record of a lien or its release, unless he has in his official custody at the time he enters such information into the system, an application which he believes to be bona fide and in proper form, or if the information entry involves a lien, a proper financing or termination statement, which is consistent with the information he enters.

SECTION 61. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No county clerk or other person shall knowingly and wilfully enter any information or record into a telecommunications terminal or other device connected to the automated vehicle registration and titling system, knowing that the information or record entered into such device is false, fraudulent, illegitimate, or contains erroneous information that:

(1) Creates, or enables the system to create, a certificate of title and registration, certificate of registration, or certificate of title, that is illegitimate or that contains information that is false, fraudulent or erroneous; or

(2) Results in the system storing information or a record that is false, fraudulent or contains erroneous information; or

(3) Fraudulently, illegitimately, or maliciously alters information or records stored within the system.

SECTION 62. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall, without prior specific written approval of the commissioner of the bureau of vehicle regulation and the commissioner of the bureau of computer services, connect with the automated vehicle registration and titling system, directly or indirectly, by wire, electronic, electromagnetic induction, systemic, or any other means, any device, system or apparatus capable of putting information or electronic signals into, or receiving information or electronic signals from, or blocking, diverting, or altering transmission of data or signals within, the automated vehicle registration and titling system, its components, and its communications network.

(2) This section does not apply to or prohibit connection of devices or systems to the automated vehicle registration and titling system by persons who are acting in accordance with a contract or agreement with the Commonwealth of Kentucky, which in addition to any other required approval, has been approved in writing by the commissioner of the bureau of vehicle regulation and the commissioner of the bureau of computer services.

SECTION 63. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) A system operation policy committee shall be established by the bureau of vehicle regulation for the purpose of ensuring that there is an appropriate body charged with advising the commissioner of the bureau of vehicle regulation regarding operation of the automated vehicle registration and titling system.

(2) The committee shall be chaired by a person designated by the commissioner of the bureau of vehicle regulation. Its membership shall be composed of persons designated by the respective agencies as indicated: The departments of transportation and the county clerk's association, two representatives each. The departments of revenue and insurance, one representative. The bureau of computer services and the bureau of state police, one representative each.

(3) Staff support for the committee shall be provided by the bureau of vehicle regulation. The department may reimburse in accordance with state travel regulations, the travel expenses of members in connection with their attendance at meetings of the committee. Meetings of the committee shall be held quarterly and at such other times as the commissioner of the bureau of vehicle regulation may request. The committee shall

issue quarterly reports to apprise county clerks and other concerned persons of matters affecting overall system operation, system misuse and error rates, and the recommended action to prevent or reduce the incidence of system misuse and errors.

SECTION 64. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Regardless of other provisions of the statutes, the county clerk may omit sending duplicates of each certificate of title and registration, or certificate of registration he issues, to the departments of transportation and revenue, and the property valuation administrator, and may omit the production and filing of one of the copies formerly known as either the county clerk's alpha or his numeric copy, when it is determined by the agencies indicated that their need for "duplicates" of each certificate or "receipt" is obviated by the automated system.

(2) The bureau of vehicle regulation and the department of revenue shall, as agreed between them, provide appropriate system support or computerized listings on magnetic tape or disc, printouts, or system access, to fulfill the information needs formerly requiring duplicates of each certificate or receipt.

SECTION 65. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Beginning with 1983 year model vehicles, for the current year, as determined each year, and the preceding four years,

(a) Any person or entity having a motor vehicle or trailer that has been destroyed, to the extent that its repair cannot be obtained through usual commercial repair services, at a cost less than its retail value as established from a value manual approved by the department of revenue, or from which two or more parts which typically bear a vehicle identification number placed thereon by the manufacturer have been removed, or which he removes, shall surrender the certificate of title for such vehicle for which he has a certificate of title in his or another name, to the county clerk of the county in which such vehicle is located.

(b) Any person or entity engaged in the sale of used motor vehicle or trailer parts, or the recycling or salvage of them, shall surrender the certificate of title for any vehicle in his possession, and for which he has a certificate of title, whether in his or another name, if such vehicle is destroyed within the meaning of subsection (a) of this section, or from which two or more parts which typically bear a vehicle identification number placed thereon by a manufacturer have been removed, or which he removes, to the county clerk of the county in which such vehicle is located.

(c) The surrender of the certificate of title pursuant to this section shall be made within ten working days, next succeeding the day when such vehicle was received, destroyed, or next succeeding the day during which such second part was removed.

(2) Each county clerk shall receive without charge, a certificate surrendered in accordance with Section 57 of this Act, cancel it, and remit it to the bureau of vehicle regulation, and take any other action related to it, as required by th bureau of vehicle regulation.

SECTION 66. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The owner of a truck regularly operated in this state which is permanently or semi-permanently equipped with a winch, hydraulic, or other lifting device intended to raise one end of a vehicle so that it may be towed, shall before operating it as a tow truck or wrecker:

(1) Have the true name, address, and telephone number, including telephone area code, of its owner, or operator, if it is usually operated in the name of a firm or person other than its owner, permanently and legibly displayed upon each front door of its cab.

(2) The name and address shall be displayed in letters and numbers individually not less than three (3) inches high, and shall be of a color contrasting with the background on which they are displayed.

SECTION 67. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Any person who rents or leases a vehicle to another in this state, or for use in this state, shall:

(1) Maintain a record, beginning on the day on which a renter or lessee takes possession of such vehicle, and ending three (3) years following the date on which the vehicle is returned, which contains with respect to each vehicle rented or leased:

(a) Its year model, make, model name, vehicle identification number, license plate number; and

(b) The renter or lessee's full name, date of birth, social security account number or employer identification number, driver's license number, mailing address and telephone number including telephone area code; and

(c) The starting and ending dates of the renter or lessee's possession of the vehicle.

(2) Any person who has rented or leased a vehicle to another, or the agent of such person, shall make such information available promptly upon the request of a law enforcement officer who presents his official identification during normal business hours, or at other times, if an emergency exists and he is advised of such fact, and given a name, license number, vehicle identification number, or other reasonable information to enable a search of records.

SECTION 68. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person, except as provided in subsection (3) of this section shall have in his possession any blank, uncompleted, or partially executed "certificate of title and registration," "certificate of registration," "certificate of title," or other similarly styled form or document, whether genuine or counterfeit, of this or any other state or country, which is of a type that, when genuine and properly issued, evidences ownership of a vehicle under the laws of this or another state or country, and surrender of which is required in order to sell, transfer, register or title a motor vehicle or trailer in this state.

(2) A person who possesses forms or documents of the type described in subsection (1) of this section, is not in violation of this section if he:

(a) Is an employe of a manufacturer or printer of such forms or documents and possesses such forms or documents in the normal course of the business of design or manufacture of them in connection with bid invitation, bid, or contract with a governmental agency related to supplying such forms for governmental use.

(b) Is an employe of a shipper, or agency, under whose direction such forms are being shipped or delivered to a state or local agency charged with receiving, distributing or issuing such forms or documents, when they are in a container sealed under governmental direction.

(c) Is an employe of a state agency who possesses such forms or documents in the course of carrying out his official duties when his duties are to handle such forms or documents.

(d) Is a county clerk, or employe of a county clerk whose official work duties require the handling of such forms or documents, and he possesses them within the confines of the county clerk's office or official storage space or immediately incidental to placing them in such places.

(e) Possesses such form or document and it is prominently and indelibly marked on its face either: specimen, or void, or sample.

SECTION 69. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall intentionally remove, deface, cover, destroy, alter, or obscure any vehicle identification number, or other distinguishing number, of a motor vehicle or trailer or any part thereof in this state, without written authorization from the bureau of state police, nor shall any person place or stamp, in place of the original manufacturer's serial, motor, or other number or mark upon a vehicle, any number except one assigned thereto by the bureau of state police or authorized agency of another state.

(2) This section does not prohibit the restoration by an owner of the original vehicle identification number when the restoration is authorized by the bureau of state police, nor prevent any manufacturer from placing in the ordinary course of business numbers or marks upon new motor vehicles or new parts thereof.

SECTION 70. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall knowingly buy, sell, offer for sale, receive, or have in his possession, any motor vehicle or trailer or component part thereof, from which the original manufacturer's vehicle identification number, or serial number, has been removed, defaced, altered, obscured or destroyed, unless such vehicle or component part has attached thereto an identification number assigned or approved by the bureau of state police or authorized agency of another state in lieu of the manufacturer's number.

(2) Whenever such vehicle or component part comes into the custody of a peace officer it shall be forfeited under the procedure established in KRS 500.090. Nothing in this section shall, however, preclude the return of such vehicle or parts to the lawful owner thereof following presentation of satisfactory evidence of ownership and assignment of an identification number by the bureau of state police.

SECTION 71. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall have in his possession a manufacturer's vehicle identification number plate unless it is attached to the vehicle, or vehicle part, to which it was originally affixed by the manufacturer, nor shall any person have any facsimile of such a plate.

(2) This section shall not prohibit possession of legitimate plates by persons:

(a) Whose possession is incident to a contract to supply them to a manufacturer of new motor vehicles, or when such plates are in the possession of a manufacturer of new vehicles, or such manufacturer's employe, who possesses them within the scope of his work, when his work involves the manufacture or storage of such plates, for legitimate placement upon newly manufactured vehicles, legitimate affixing of such plates upon newly manufactured vehicles, or legitimate affixing of a replacement plate.

(b) Who possess such plate immediately incident to transferring it from being legitimately attached to a wrecked part or portion of a vehicle to a replacement part or portion for installation on, or installed on, the same vehicle or which the plate was originally placed by the manufacturer, when such possession and transfer is authorized in writing by the bureau of state police.

(c) Who are authorized in writing, by the supervisor of the bureau of state police auto theft section, to possess such plates.

SECTION 72. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) When any peace officer has probable cause to believe that a motor vehicle or trailer, or any component part of such vehicle is stolen, he shall impound such vehicle or part and notify its lawful owner, and when applicable, the agency to which the theft was reported, of the recovery of such vehicle or part and where it may be claimed.

(2) A vehicle or component part thereof which has been impounded pursuant to this section shall be released to its lawful owner when such owner presents satisfactory evidence of his ownership.

(3) A vehicle or component part thereof that has been impounded under this section, and which has not been claimed within ninety (90) days following notice of recovery to the owner, or if the owner cannot be located after a reasonable effort, within ninety (90) days following impoundment, is forfeited and shall be disposed of in accordance with KRS 500.090.

SECTION 73. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Any person who has in his possession or control two (2) or more motor vehicles or trailers or their parts:

(a) That are stolen; or

(b) Have had their identity obscured, removed or altered; or

(c) Have stolen parts on them; or

(d) Are comprised of any combination of the above;
Shall be deemed to be trafficking in stolen vehicles or stolen vehicle parts.

(2) Trafficking in stolen vehicle or stolen vehicle parts is a Class C felony.

SECTION 74. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Upon the arrest of any person for violation of this Act the law enforcement officer shall cause the seizure of:

(a) All vehicles held in violation of this Act or of KRS Chapter 514; and

(b) All vehicles and other equipment used to transport property in violation of this Act or of KRS Chapter 514; and

(c) All tools, equipment, and other materials, and all real and personal property used in furtherance of a violation of this Act or of KRS Chapter 514; and

(d) All money or other proceeds from the violation of this Act or of KRS Chapter 514.

(2) Upon the conviction of any person for violation of this Act or KRS Chapter 514 all items listed in subsection (1) shall be forfeited to the state and may be disposed of as provided in KRS Chapter 500.

SECTION 75. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Any person aggrieved by any administrative action pursuant to this chapter or regulations promulgated pursuant thereto, may appeal such action to a court of competent jurisdiction.

SECTION 76. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Any person who knowingly gives false, fraudulent, or erroneous information in connection with an application for the registration, and when required, titling of a vehicle, or any application for assignment of a vehicle identification number, or replacement documents, or gives such information in connection with his review of such applications, or falsely certifies the truthfulness and accuracy of information supplied in connection with the registration and when required, titling of a vehicle, shall be guilty of perjury in the second degree.

(2) Any person who violates Sections 50, 52, 54 or 55 of this Act shall be guilty of a Class C felony.

(3) Any person who violates Sections 72, 73, 74, 75, 77 or 78 of this Act shall be guilty of a Class D felony.

(4) Any person who operates a motor vehicle or trailer upon the highways of this state without a temporary tag when one is required, or with one that is expired, improperly executed, or displayed on a vehicle other than the one to which it was legitimately and lawfully issued, shall be guilty of a Class B misdemeanor.

(5) Any person who violates any provisions of this chapter, or regulations promulgated pursuant thereto, and for which a specific penalty is not prescribed by statute, shall be guilty of a Class A misdemeanor.

(6) Criminal remedies or sanctions provided in this chapter are in addition to, and not exclusive of, any other criminal remedies or sanctions provided elsewhere in the statutes.

SECTION 77. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS

Unless the context requires otherwise, terms used in this chapter shall be defined, where applicable, as provided by KRS 186.010.

Floor Title Amendment to **SB 381,** by Representative Romines:

Amend printed copy of **SB 381,** on page 1, delete the title and insert in lieu thereof the following title: "AN ACT relating to vehicles."

Floor Amendment No. 1 to the Committee Substitute to **SB 277** by Representative Mann:

Amend printed copy of Committee Substitute for **SB 277,** on page 10, line 24, after the words "*provisions of*", add "*Section 1 through 7 of*"; and

on page 10, line 25, after the words "*provisions of*", add "*Sections 1 through 7 of*"; and

on page 11, line 2, strike the words "*This Act*" and insert in lieu thereof "*these sections*"; and

on page 13, line 5, after the word "*to*", add "*Sections 1 through 7 of*"; and

on page 13, line 14, after the word "*to*", add "*Sections 1 through 7 of*"; and

on page 13, after line 22, add the following:

Section 8. KRS 525.090 is amended to read as follows:

(1) A person is guilty of loitering when he:

(a) Loiters or remains in a public place for the purpose of gambling with cards, dice or other gambling paraphernalia, *except that the provisions of this section shall not apply if the person is participating in activity defined by KRS 528.010(10)*; or

(b) Loiters or remains in a public place for the purpose of engaging or agreeing or offering to engage in prostitution; or

(c) Loiters or remains in a public place for the purpose of unlawfully using a controlled substance;. or

(d) Loiters or remains in or about a school, college or university building or grounds, not having any reason or relationship involving custody of or responsibility for a pupil or student or any other specific legitimate reason for being there and not having written permission from anyone authorized to grant the same; or

(e) Loiters or remains in any transportation facility, unless specifically authorized to do so, for the purpose of soliciting or engaging in any business, trade or commercial transactions involving the sale of merchandise or services.

(2) Loitering is a violation.

Section 9. KRS 528.010 is amended to read as follows:

The following definitions apply in this chapter unless the context otherwise requires:

(1) "Advancing gambling activity" — A person "advances gambling activity" when, acting other than as a player, he engages in conduct that materially aids any form of gambling activity. Such conduct includes but is not limited to conduct directed toward the establishment of the particular game, contest, scheme, device or activity involved; toward the acquisition or maintenance of premises, paraphernalia, equipment or apparatus therefor; toward the solicitation or inducement of persons to participate therein; toward the actual conduct of the playing phases thereof; toward the arrangement of any of its financial or recording phases or toward any other phase of its operation. A person who gambles at a social game of chance on equal terms with other participants does not otherwise advance gambling activity by performing acts, without remuneration or fee, directed toward the arrangement or facilitation of the game as inviting persons to play, permitting the use of premises therefor and supplying equipment used therein.

(2) "Bookmaking" means advancing gambling activity by unlawfully accepting bets upon the outcome of future contingent events from members of the public as a business.

(3) "Gambling" means staking or risking something of value upon the outcome of a contest, game, gaming scheme or gaming device which is based upon an element of chance, in accord with an agreement or understanding that someone will receive something of value in the event of a certain outcome.

(4) "Gambling device" means:

(a) Any so-called slot machine or any other machine or mechanical device an essential part of which is a drum or reel with insignia thereon, and which when operated may deliver, as a result of the application of an element of chance, any money or property, or by the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property; or

(b) Any other machine or any mechanical or other device (including but not limited to roulette wheels, gambling tables and similar devices) designed and manufactured primarily for use in connection with gambling and which when operated may deliver, as the result of the application of an element of chance, any money or property, or by the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property.

(c) But, the following are not to be considered gambling devices within this definition:

1. Devices dispensing or selling combination or French pools on licensed, regular racetracks during races on said tracks.

2. Electro-mechanical pinball machines specially designed, constructed, set up and kept to be played for amusement only; provided any such pinball machine shall be made to receive and react only to the deposit of coins and no more during the course of a game; provided the ultimate and only award given directly or indirectly to any player for the attainment of a winning score or combination on any such pinball machine shall be the right to play one or more additional games immediately on the same device at no further cost; provided the maximum number of free games that can be won, registered, or accumulated at one time in operation of any such pinball machine shall not exceed thirty free games; provided any such pinball machine shall be made to discharge accumulated free games only by reactivating the playing mechanism once for each game released; and provided any such pinball machine shall be made and kept with no meter or system to preserve a record of free games played, awarded or discharged. Nonetheless, a pinball machine shall be a gambling device if a person gives or promises to give money, tokens, merchandise, premiums or property of any kind for scores, combinations or free games obtained in playing such pinball machine in which such person has an interest as owner, operator, keeper or otherwise.

(5) "Lottery and gift enterprise" means:

(a) A gambling scheme in which:

1. The players pay or agree to pay something of value for chances, represented and differentiated by numbers or by combinations of numbers or by some other media, one or more of which are to be designated the winning ones; and

2. The winning chances are to be determined by a drawing or by some other method based upon the element of chance; and

3. The holders of the winning chances are to receive something of value.

(b) A gift enterprise or referral sales plan which meets the elements of a lottery listed in subsection (5)(a) is to be considered a lottery under this chapter.

(6) "Mutuel" or "the numbers games" means a form of lottery in which the winning chances or plays are not determined upon the basis of a drawing or other act on the part of persons conducting or connected with the scheme, but upon the basis of the outcome or outcomes of a future contingent event or events otherwise unrelated to the particular scheme.

(7) "Player" means a person who engages in any form of gambling solely as a contestant or bettor, without receiving or becoming entitled to receive any profit therefrom other than personal gambling winnings,

and without otherwise rendering any material assistance to the establishment, conduct or operation of the particular gambling activity. A person who engages in "bookmaking" as defined in subsection (2) is not a "player." The status of a "player" shall be a defense to any prosecution under this chapter.

(8) "Profiting from gambling activity" — A person "profits from gambling activity" when, other than as a player, he accepts or receives or agrees to accept or receive money or other property pursuant to an agreement or understanding with any person whereby he participates or is to participate in the proceeds of gambling activity.

(9) "Something of value" means any money or property, any token, object or article exchangeable for money or property, or any form of credit or promise directly or indirectly contemplating transfer of money or property or of any interest therein, or involving extension of a service, entertainment or a privilege of playing at a game or scheme without charge.

(10) (a) "Charitable gaming" means games of chance, including bingo, operated by charitable or religious organizations or institutions. In order to assume a charitable gaming status, the charitable or religious organization or institution and the gaming activity conducted thereby shall conform to the following requirements:

1. The organization or institution conducting the gaming activity shall maintain a charitable or religious tax exemption according to the federal internal revenue code and shall have maintained such federal tax exempt status for a period of five (5) years prior to any prosecution under this chapter;

2. The gaming activity conducted by such organization or institution shall be operated exclusively by volunteer personnel receiving no remuneration whatsoever by their services;

3. Any proceeds resulting from the operation of charitable gaming activity shall be utilized solely for purposes consistent with the charitable or religious functions and objectives for which the operating organization or institution received and maintained federal tax exempt status.

(b) The status of "charitable gaming" shall be a defense to any prosecution under this chapter.

Section 10. KRS 528.100 is amended to read as follows:

Any gambling device or gambling record possessed or used in violation of this chapter is forfeited to the state, and shall be disposed of in accordance with KRS 500.090, *except that the provisions of this section shall not apply to charitable gaming activity as defined by KRS 528.010(10).*

Floor Amendment No. 1 to **SB 266,** by Representative Dunn:

Amend printed copy of **SB 266,** on page 13, following line 10, by inserting the following:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

For purposes of section 1(6) of this Act, "special wastes" means those hazardous wastes of high volume and low hazard which include but are not limited to mining waste, utility wastes (fly ash, bottom ash, scrubber sludge), sludge from water treatment facilities and sewage treatment facilities, cement kiln dust, gas and oil drilling muds and oil production brines and any other waste so designated by the department."

Floor Amendment No. 1 to **SB 19,** by Representative Schmidt:

Amend printed copy of **SB 19,** page 1, line 8, insert between the words "on" and "real" insert the word "all", and on that same line after the word "real" insert the words "and personal"

and on page 1, line 11, delete the words "intangible, based on income"

and on page 1, line 17, delete the words "of the first class"

and on page 1, line 21, insert the phrase: "and may not levy or collect an income tax."

Floor Amendment No. 1 to **SB 233,** by Representative Cyrus:

Amend printed copy of **SB 233,** page 4, after line 10, by inserting the following new sections:

SECTION 2. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Amygdalin (laetrile) is not a drug or a controlled substance under Kentucky statutes governing the use, manufacture, or distribution of drugs and controlled substances within the state. A physician may prescribe amygdalin (laetrile) pursuant to this Act if the patient so requests on a written informed request form and the physician has determined the patient to be terminally ill.

SECTION 3. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Amygdalin (laetrile) shall only be available to a patient by prescription from his doctor and only after the patient affirms his desire for treatment using this substance by signing a written informed request form and the physician has determined the patient to be terminally ill.

SECTION 4. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Nothing in this Act requires any physician, pharmacist, pharmacy, or manufacturer or distributor to manufacture, sell or distribute amygdalin (laetrile), and nothing in this Act requires any physician to prescribe amygdalin (laetrile) for any patient.

SECTION 5. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

A physician may prescribe or administer amygdalin (laetrile) in lieu of or in addition to customary or accepted modes of therapy in the treatment of any malignancy, disease, illness or physical condition of a patient who has signed a written informed request and who has been determined by the physician to be terminally ill.

SECTION 6. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

"Written informed request" is a form which shall be prepared and distributed by the state board of medical licensure and shall be in substance as follows:

WRITTEN INFORMED REQUEST
FOR PRESCRIPTION OF AMYGDALIN
(Laetrile) FOR MEDICAL TREATMENT AND
RELEASE OF PHYSICIAN FROM LIABILITY

Patient's Name ....
Address ....
Age..........*Sex*...
Name and Address of prescribing physician:
....
....
Malignancy, disease, illness or physical condition diagnosed for medical treatment by amygdalin (laetrile):
....
....

My physician has explained to me:

(a) That the manufacture and distribution of amygdalin (laetrile) has been banned by the Federal Food and Drug Administration.

(b) That the American Cancer Society, the American Medical Association, nor the Kentucky Medical Association recommend use of amygdalin (laetrile) in the treatment of any malignancy, disease, illness or physical condition.

(c) That I am terminally ill and there are alternative recognized treatments for the malignancy, disease, illness or physical condition from which I suffer which he has offered to provide for me including: (here describe)..

....

That notwithstanding the foregoing, I hereby request prescription and use of amygdalin (laetrile) in the medical treatment of the malignancy, disease, illness or physical condition from which I suffer.

I hereby release the physician from any and all liability due to any deleterious consequences that may be directly attributable to the use of amygdalin (laetrile).

....
Patient or person signing for patient

ATTEST:

....
Prescribing physician

SECTION 7. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

A copy of each executed written informed request shall be forwarded by the physician within three (3) days of execution to the state board of health for filing.

SECTION 8. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO READ AS FOLLOWS:

(1) Amygdalin (laetrile) may be manufactured in this state subject to licensing and regulation by the department for human resources. The secretary of the department shall adopt regulations which prescribe minimum standards for manufacturers in preparing, compounding, processing, and packaging the substance. The secretary shall establish standards of purity and shall make periodic tests and inspections of both the facilities for manufacture and samples of the substance to ascertain the purity, quality and identity of the substance and to determine that the substance meets the standards so established.

(2) The department for human resources shall make no rule or regulation which would prohibit the use of amygdalin (laetrile) in any hospital, ambulatory outpatient surgical center or health care facility licensed by it.

SECTION 9. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO READ AS FOLLOWS:

Amygdalin (laetrile) manufactured in this state shall not be sold in interstate commerce. Violation of this prohibition is cause for immediate revocation of the license to manufacture, sell, or distribute amygdalin (laetrile). This does not preclude other legal action permitted under state and federal criminal statutes.

SECTION 10. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) A physician shall not be subjected to disciplinary action by the state board of health for prescribing or administering amygdalin (laetrile) to a patient under his care as an adjunct to recognized, customary or accepted modes of therapy in the treatment of any malignancy, disease, illness or physical condition, when the patient has signed a written informed request form and the physician has determined the patient to be terminally ill.

(2) A physician shall not be held liable for malpractice or negligence if it is determined that a patient died from lack of customary or accepted modes of therapy, including but not limited to surgery, chemotherapy, and radiation, when the patient elected to use amygdalin (laetrile) as the sole treatment and signed a written informed request form for this substance.

(3) A physician shall not be held liable for malpractice or negligence if it is determined that a patient's medical condition deteriorated from lack of customary or accepted modes of therapy including but not limited to surgery, chemotherapy, and radiation; when the patient elected to use amygdalin (laetrile) as the sole treatment and signed a written informed request form for this substance.

SECTION 11. A NEW SECTION OF KRS CHAPTER 315 IS CREATED TO READ AS FOLLOWS:

The Kentucky board of pharmacy shall make no rule or regulation which would prohibit the sale and dispensing of amygdalin (laetrile) by a duly licensed pharmacist.

SECTION 12. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) When amygdalin (laetrile) is prescribed or administered by a physician holding a regular license for the practice of medicine in the state of Kentucky and the patient has signed a written informed request form, except as provided in subsection (2) of this section, a hospital or other health care facility shall not restrict or forbid the use of amygdalin (laetrile) in the treatment of any malignancy, disease, illness or physical condition.

(2) If the federal government states that it will withdraw all federal funds from a health care facility for allowing amygdalin (laetrile) to be used within the facility, and if providing or allowing its use within the facility would jeopardize the receipt of federal funds for reimbursement for medicine or medicaid for all persons within the facility, or any construction funds provided by the federal government under the Hill-Burton hospital construction program or under Title XVI of the Public Health Services Act, the hospital or other health care facility may, notwithstanding the provisions of subsection (1) of this section, prohibit the use of amygdalin (laetrile) within its facility.

SECTION 13. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Nothing in this Act shall be construed as constituting an endorsement of amygdalin (laetrile) for the treatment of any malignancy, disease, illness, or physical condition.

SECTION 14. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Any person who manufactures, distributes, sells, or prescribes amygdalin (laetrile) in violation of the standards established by the secretary of the department for human resources shall be punished by a fine of not less than five hundred dollars ($500) and not more than two thousand dollars ($2,000), or by imprisonment in the county jail for a period not to exceed six (6) months, or both. Each day of violation shall constitute a separate offense.

SECTION 15. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Nothing herein shall be interpreted as an attempt to relieve physicians of liability for negligence or malpractice in the treatment of their patients under the standards established by KRS 311.595.

Floor Title Amendment to **SB 233,** by Representative Cyrus:

Amend printed copy of **SB 233,** page 1, amendment the title to read as follows: AN ACT relating to health.

Floor Amendment No. 4 to the Committee Substitute to **SB 267,** by Representative Brinkley:

Amend printed copy of Committee Substitute for **SB 267,** page 29, line 9, add the following: "*s*" to the word Section, and following the word Section, add the words "*4 and*", and on line 16, add the following: "*s*" to the word Section, and following the word Section, add the words "*4 and*", and on, line 18, after the word Department, delete the remainder of the paragraph.

Floor Amendment No. 5 to **SB 267,** by Representative Brinkley:

Amend printed copy of **SB 267,** page 29, after line 21, create Section (d) as follows:

(d) The department shall promulgate special waste regulations that recognize the distinct differences between the category of special wastes and other hazardous and solid wastes due to the fact that special wastes have large volume but low hazardousness. The department's regulations for the generation, transport, record keeping, reporting, storage and disposal shall reflect those distinct differences. The department's regulations shall recognize and incorporate where appropriate and if consistent with the policies of this Act any deadline extensions, studies, and specialized requirements for specific kinds of special wastes that are or may be undertaken at the federal or other levels of government.

Floor Amendment No. 13 to **SB 102,** by Representative Jones:

Amend printed copy of **SB 102,** page 1, line 20, delete "thirty-eight thousand five hundred dollars (38,500)" and insert thereof thirty-four thousand five hundred dollars (34,500)"

on page 5, line 11, delete "3,054,917" and insert thereof "2,764,917"

on page 5, line 11, delete $3,807,476" and insert thereof "3,497,476"

Floor Amendment No. 3 to **SB 205,** by Representative Cyrus:

Amend printed copy of **SB 205,** page 9, after line 18, by inserting the following new sections:

SECTION 8. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Amygdalin (laetrile) is not a drug or a controlled substance under Kentucky statutes governing the use, manufacture, or distribution of drugs and controlled substances within the state. A physician may prescribe amygdalin (laetrile) pursuant to this Act if the patient so requests on a written informed request form and the physician has determined the patient to be terminally ill.

SECTION 9. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Amygdalin (laetrile) shall only be available to a patient by prescription from his doctor and only after the patient affirms his desire for treatment using this substance by signing a written informed request form and the physician has determined the patient to be terminally ill.

SECTION 10. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Nothing in this Act requires any physician, pharmacist, pharmacy, or manufacturer or distributor to manufacture, sell or distribute amygdalin (laetrile), and nothing in this Act requires any physician to prescribe amygdalin (laetrile) for any patient.

SECTION 11. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

A physician may prescribe or administer amygdalin (laetrile) in lieu of or in addition to customary or accepted modes of therapy in the treatment of any malignancy, disease, illness or physical condition of a patient who has signed a written informed request and who has been determined by the physician to be terminally ill.

SECTION 12. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

"Written informed request" is a form which shall be prepared and distributed by the state board of medical licensure and shall be in substance as follows:

WRITTEN INFORMED REQUEST FOR PRESCRIPTION OF AMYGDALIN (Laetrile) FOR MEDICAL TREATMENT AND RELEASE OF PHYSICIAN FROM LIABILITY

Patient's Name ....

Address ....

Age..........*Sex*..

Name and Address of prescribing physician:

....

....

Malignancy, disease, illness or physical condition diagnosed for medical treatment by amygdalin (laetrile):

....
....

My physician has explained to me:

(a) That the manufacture and distribution of amygdalin (laetrile) has been banned by the Federal Food and Drug Administration.

(b) That the American Cancer Society, the American Medical Association, nor the Kentucky Medical Association recommend use of amygdalin (laetrile) in the treatment of any malignancy, disease, illness or physical condition.

(c) That I am terminally ill and there are alternative recognized treatments for the malignancy, disease, illness or physical condition from which I suffer which he has offered to provide for me including: (here describe)..
....

That notwithstanding the foregoing, I hereby request prescription and use of amygdalin (laetrile) in the medical treatment of the malignancy, disease, illness or physical condition from which I suffer.

I hereby release the physician from any and all liability due to any deleterious consequences that may be directly attributable to the use of amygdalin (laetrile).

....
Patient or person signing for patient

ATTEST:

....
Prescribing physician

SECTION 13. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

A copy of each executed written informed request shall be forwarded by the physician within three (3) days of execution to the state board of health for filing.

SECTION 14. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO READ AS FOLLOWS:

(1) Amygdalin (laetrile) may be manufactured in this state subject to licensing and regulation by the department for human resources. The secretary of the department shall adopt regulations which prescribe minimum standards for manufacturers in preparing, compounding, processing, and packaging the substance. The secretary shall establish standards of purity and shall make periodic tests and inspections of both the facilities for manufacture and samples of the substance to ascertain the purity, quality and identity of the substance and to determine that the substance meets the standards so established.

(2) The department for human resources shall make no rule or regulation which would prohibit the use of amygdalin (laetrile) in any hospital, ambulatory outpatient surgical center or health care facility licensed by it.

SECTION 15. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO READ AS FOLLOWS:

Amygdalin (laetrile) manufactured in this state shall not be sold in interstate commerce. Violation of this prohibition is cause for immediate revocation of the license to manufacture, sell, or distribute amygdalin (laetrile). This does not preclude other legal action permitted under state and federal criminal statutes.

SECTION 16. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) A physician shall not be subjected to disciplinary action by the state board of health for prescribing or administering amygdalin (laetrile) to a patient under his care as an adjunct to recognized, customary or accepted modes of therapy in the treatment of any malignancy, disease, illness or physical

condition, when the patient has signed a written informed request form and the physician has determined the patient to be terminally ill.

(2) A physician shall not be held liable for malpractice or negligence if it is determined that a patient died from lack of customary or accepted modes of therapy, including but not limited to surgery, chemotherapy, and radiation, when the patient elected to use amygdalin (laetrile) as the sole treatment and signed a written informed request form for this substance.

(3) A physician shall not be held liable for malpractice or negligence if it is determined that a patient's medical condition deteriorated from lack of customary or accepted modes of therapy including but not limited to surgery, chemotherapy, and radiation; when the patient elected to use amygdalin (laetrile) as the sole treatment and signed a written informed request form for this substance.

SECTION 17. A NEW SECTION OF KRS CHAPTER 315 IS CREATED TO READ AS FOLLOWS:

The Kentucky board of pharmacy shall make no rule or regulation which would prohibit the sale and dispensing of amygdalin (laetrile) by a duly licensed pharmacist.

SECTION 18. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) When amygdalin (laetrile) is prescribed or administered by a physician holding a regular license for the practice of medicine in the state of Kentucky and the patient has signed a written informed request form, except as provided in subsection (2) of this section, a hospital or other health care facility shall not restrict or forbid the use of amygdalin (laetrile) in the treatment of any malignancy, disease, illness or physical condition.

(2) If the federal government states that it will withdraw all federal funds from a health care facility for allowing amygdalin (laetrile) to be used within the facility, and if providing or allowing its use within the facility would jeopardize the receipt of federal funds for reimbursement for medicine or medicaid for all persons within the facility, or any construction funds provided by the federal government under the Hill-Burton hospital construction program or under Title XVI of the Public Health Services Act, the hospital or other health care facility may, notwithstanding the provisions of subsection (1) of this section, prohibit the use of amygdalin (laetrile) within its facility.

SECTION 19. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Nothing in this Act shall be construed as constituting an endorsement of amygdalin (laetrile) for the treatment of any malignancy, disease, illness, or physical condition.

SECTION 20. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Any person who manufactures, distributes, sells, or prescribes amygdalin (laetrile) in violation of the standards established by the secretary of the department for human resources shall be punished by a fine of not less than five hundred dollars ($500) and not more than two thousand dollars ($2,000), or by imprisonment in the county jail for a period not to exceed six (6) months, or both. Each day of violation shall constitute a separate offense.

SECTION 21. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Nothing herein shall be interpreted as an attempt to relieve physicians of liability for negligence or malpractice in the treatment of their patients under the standards established by KRS 311.595.

Floor Amendment No. 5 to **SB 114,** by Representative Cyrus:

Amend printed copy of **SB 114,** page 15, after line 5, by inserting the following new sections:

SECTION 9. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Amygdalin (laetrile) is not a drug or a controlled substance under Kentucky statutes governing the use, manufacture, or distribution of drugs and controlled substances within the state. A physician may prescribe amygdalin (laetrile) pursuant to this Act if the patient so requests on a written informed request form and the physician has determined the patient to be terminally ill.

SECTION 10. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Amygdalin (laetrile) shall only be available to a patient by prescription from his doctor and only after the patient affirms his desire for treatment using this substance by signing a written informed request form and the physician has determined the patient to be terminally ill.

SECTION 11. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Nothing in this Act requires any physician, pharmacist, pharmacy, or manufacturer or distributor to manufacture, sell or distribute amygdalin (laetrile), and nothing in this Act requires any physician to prescribe amygdalin (laetrile) for any patient.

SECTION 12. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

A physician may prescribe or administer amygdalin (laetrile) in lieu of or in addition to customary or accepted modes of therapy in the treatment of any malignancy, disease, illness or physical condition of a patient who has signed a written informed request and who has been determined by the physician to be terminally ill.

SECTION 13. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

"Written informed request" is a form which shall be prepared and distributed by the state board of medical licensure and shall be in substance as follows:

WRITTEN INFORMED REQUEST
FOR PRESCRIPTION OF AMYGDALIN
(Laetrile) FOR MEDICAL TREATMENT AND
RELEASE OF PHYSICIAN FROM LIABILITY

Patient's Name ....
Address ....
Age.........*Sex* ....
Name and Address of prescribing physician:
....
....
Malignancy, disease, illness or physical condition diagnosed for medical treatment by amygdalin (laetrile):
....
....
My physician has explained to me:

(a) That the manufacture and distribution of amygdalin (laetrile) has been banned by the Federal Food and Drug Administration.

(b) That the American Cancer Society, the American Medical Association, nor the Kentucky Medical Association recommend use of amygdalin (laetrile) in the treatment of any malignancy, disease, illness or physical condition.

(c) That I am terminally ill and there are alternative recognized treatments for the malignancy, disease, illness or physical condition from which I suffer which he has offered to provide for me including: (here describe)..
....

That notwithstanding the foregoing, I hereby request prescription and use of amygdalin (laetrile) in the medical treatment of the malignancy, disease, illness or physical condition from which I suffer.

I hereby release the physician from any and all liability due to any deleterious consequences that may be directly attributable to the use of amygdalin (laetrile).

....
Patient or person signing for patient

ATTEST:
....
Prescribing physician

SECTION 14. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

A copy of each executed written informed request shall be forwarded by the physician within three (3) days of execution to the state board of health for filing.

SECTION 15. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO READ AS FOLLOWS:

(1) Amygdalin (laetrile) may be manufactured in this state subject to licensing and regulation by the department for human resources. The secretary of the department shall adopt regulations which prescribe minimum standards for manufacturers in preparing, compounding, processing, and packaging the substance. The secretary shall establish standards of purity and shall make periodic tests and inspections of both the facilities for manufacture and samples of the substance to ascertain the purity, quality and identity of the substance and to determine that the substance meets the standards so established.

(2) The department for human resources shall make no rule or regulation which would prohibit the use of amygdalin (laetrile) in any hospital, ambulatory outpatient surgical center or health care facility licensed by it.

SECTION 16. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO READ AS FOLLOWS:

Amygdalin (laetrile) manufactured in this state shall not be sold in interstate commerce. Violation of this prohibition is cause for immediate revocation of the license to manufacture, sell, or distribute amygdalin (laetrile). This does not preclude other legal action permitted under state and federal criminal statutes.

SECTION 17. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) A physician shall not be subjected to disciplinary action by the state board of health for prescribing or administering amygdalin (laetrile) to a patient under his care as an adjunct to recognized, customary or accepted modes of therapy in the treatment of any malignancy, disease, illness or physical condition, when the patient has signed a written informed request form and the physician has determined the patient to be terminally ill.

(2) A physician shall not be held liable for malpractice or negligence if it is determined that a patient died from lack of customary or accepted modes of therapy, including but not limited to surgery, chemotherapy, and radiation, when the patient elected to use amygdalin (laetrile) as the sole treatment and signed a written informed request form for this substance.

(3) A physician shall not be held liable for malpractice or negligence if it is determined that a patient's medical condition deteriorated from lack of customary or accepted modes of therapy including but not limited to surgery, chemotherapy, and radiation; when the patient elected to use amygdalin (laetrile) as the sole treatment and signed a written informed request form for this substance.

SECTION 18. A NEW SECTION OF KRS CHAPTER 315 IS CREATED TO READ AS FOLLOWS:

The Kentucky board of pharmacy shall make no rule or regulation which would prohibit the sale and dispensing of amygdalin (laetrile) by a duly licensed pharmacist.

SECTION 19. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) When amygdalin (laetrile) is prescribed or administered by a physician holding a regular license for the practice of medicine in the state of Kentucky and the patient has signed a written informed request form, except as provided in subsection (2) of this section, a hospital or other health care facility shall not restrict or forbid the use of amygdalin (laetrile) in the treatment of any malignancy, disease, illness or physical condition.

(2) If the federal government states that it will withdraw all federal funds from a health care facility for allowing amygdalin (laetrile) to be used within the facility, and if providing or allowing its use within the facility would jeopardize the receipt of federal funds for reimbursement for medicine or medicaid for all persons within the facility, or any construction funds provided by the federal government under the Hill-Burton hospital construction program or under Title XVI of the Public Health Services Act, the hospital or other health care facility may, notwithstanding the provisions of subsection (1) of this section, prohibit the use of amygdalin (laetrile) within its facility.

SECTION 20. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Nothing in this Act shall be construed as constituting an endorsement of amygdalin (laetrile) for the treatment of any malignancy, disease, illness, or physical condition.

SECTION 21. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Any person who manufactures, distributes, sells, or prescribes amygdalin (laetrile) in violation of the standards established by the secretary of the department for human resources shall be punished by a fine of not less than five hundred dollars ($500) and not more than two thousand dollars ($2,000), or by imprisonment in the county jail for a period not to exceed six (6) months, or both. Each day of violation shall constitute a separate offense.

SECTION 22. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Nothing herein shall be interpreted as an attempt to relieve physicians of liability for negligence or malpractice in the treatment of their patients under the standards established by KRS 311.595.

Floor Title Amendment to **SB 205,** by Representative Cyrus:

Amend printed copy of **SB 205,** page 1, amend the title to read as follows: AN ACT relating to medical assistance.

Floor Amendment No. 4 to **SB 114,** by Representative Cyrus:

Amend printed copy of **SB 114,** page 1, by amending the title to read as follows: "AN ACT relating to medical treatment."

Floor Amendment No. 5 to **HB 817,** by Representative Thomason:

Amend printed copy of **HB 817,** page 6, after line 3, by adding line 4 and inserting:

(9) Notwithstanding any provisions in this Act, all rights of utilities existing under other statutes, laws, or regulations are hereby expressly preserved.

Floor Amendment No. 1 to **SB 383,** by Representative Schmidt:

Amend printed copy of **SB 383,** page 1, line 8, by deleting after the word "a" all the rest of lines 8 through 13 and the underlining and inserting in lieu thereof the following: "*standard fee which shall be* *determined by the Department of Justice in accordance with available funding. The same fee shall be utilized for all officers.*"

and after line 13, by bracketing all of lines 14 through 21;

on page 2, by bracketing lines 1 up to the word "officer" in line 3

and on line 4, by deleting all the rest of lines 4 through 6 and the underlining.

Floor Amendment No. 14 to **SB 102,** by Representative Gray:

Amend printed copy of **SB 102,** by inserting the following on page 5, after line 1:

"Section 4. KRS 6.190 is amended to read as follows:

Beginning as of January 1, 1978, the members of the general assembly, other than the speaker of the house of representatives,the president pro-tempore of the senate and the majority and minority leadership of each house of the general assembly, shall each receive as compensation fifty dollars ($50) per day, the president of the senate, the president pro-tempore of the senate and the speaker of the house of representatives shall each receive as compensation seventy-five dollars ($75) per day, the majority and minority floor leaders of each house of the general assembly shall each receive as compensation seventy dollars ($70) per day, and the assistant president pro-tempore of the senate, the speaker pro-tempore and the majority and minority caucus chairmen and whips of each house of the general assembly shall each receive as compensation sixty-five dollars ($65) per day, during the session of the general assembly. In addition to his compensation as a member of the general assembly, each chairman of a standing committee of the house of representatives or the senate shall receive compensation of ten dollars ($10) for each regularly scheduled meeting of the standing committee which he chairs during sessions of the general assembly. Effective January 1, 1976, each member of the general assembly, and the president of the senate, shall receive sixteen cents (16¢) per mile and reimbursement of road tolls for one (1) round trip for each week of the session between his home and the state capitol during regular sessions and extraordinary sessions of the general assembly and the necessary travel in going to and returning from the sessions of their respective houses. *Beginning January 1, 1982, each member of the General Assembly, and the president of the senate shall receive a mileage allowance equal to the mileage allowance permitted by the federal government, to be increased as the federal mileage allowance is increased.*"

Renumber Sections that follow to conform.

Floor Amendment No. 15 to **SB 102,** by Representative Hancock:

Amend printed copy of **SB 102,** page 1, lines 4 and 5, by deleting after the word "be" on line 4, "*forty-nine thousand dollars ($49,000)*" and substituting in lieu thereof "*forty-five thousand dollars ($45,000)*";

and on page 1, line 8, by deleting the words "*fifty thousand dollars ($50,000)*" and inserting in lieu thereof "*forty-six thousand dollars ($46,000)*";

and on page 1, line 12, by deleting the words "*forty-seven thousand dollars ($47,000)*" and inserting in lieu thereof "*forty-two thousand dollars ($42,000)*";

and on page 1, line 14, after the word "of" by deleting the words "*forty-seven thousand five hundred*" and by deleting all of line 15 and inserting in lieu thereof "*forty-two thousand five hundred dollars ($42,500)*";

and on page 1, line 17, after the word "be" by deleting the words "*forty-five thousand*" and by deleting all of line 18 and inserting in lieu thereof "*forty thousand dollars ($40,000) per annum*";

and on page 1, line 20, after the word "be" by deleting the words "*thirty-eight thousand*" and substituting in lieu thereof "*thirty-three thousand six hundred dollars per annum.*"

and on page 2, by deleting line 1 in its entirety.

Floor Amendment No. 16 to **SB 102,** by Representative Gray:

Amend printed copy of **SB 102,** page 5, after line 1, add the following:

"SECTION 4. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Effective January 1, 1982, in order to equate or djust the compensation of members of the general assembly and the president of the senate with the purchasing power of the dollar, the income received by each member of the general assembly and the president of the senate under KRS 6.190, KRS 6.211, and KRS 6.213 shall be increased at a rate of six percent (6%) per annum to be computed beginning with fiscal year 1978 and each fiscal year thereafter.

on page 5, after line 1, renumber remaining sections accordingly.

Floor Amendment No. 17 to **SB 102,** by Representative Thomason:

Amend printed copy of **SB 102,** on page 5, after line 1, by inserting the following:

"Section 4. KRS 6.211 is amended to read as follows:

Until January 1, 1982 [Effective January 1, 1978], in addition to any and all sums, compensation, or expenses now paid the members of the general assembly and the president of the senate, each shall receive an expense allowance of seventy-five dollars ($75.00) for each calendar day. *On and after January 1, 1982, in addition to any and all sums, compensation, or expenses now paid the members of the general assembly and the president of the senate, each shall receive an expense allowance of one hundred twenty-five dollars ($125.00) for each calendar day.* This sum shall be paid whether the general assembly is in regular or extraordinary session and shall be in full recompense of any additional expenses incurred in excess of that now received by them.

Section 5. KRS 6.213 is amended to read as follows:

(1) *Until January 1, 1982,* in addition to the per diem and all allowances provided by law to members of the general assembly of the Commonwealth of Kentucky each member of the legislature is hereby granted an expense allowance of seven hundred fifty dollars ($750) per month, *provided however, on and after January 1, 1982 the allowance shall be twelve hundred dollars ($1,200) per month,* for secretarial assistance, books and periodicals, other reports or publications, conduct of small scale studies related to governmental activity, postage, telephone service, or any other expense incident to performance of the legislator's duties.

(2) The expense allowance provided for herein shall not be payable during any session of the general assembly. For sessions occurring during a part of the month, the expense allowance shall be prorated.

(3) Such expense allowances shall be paid by the state treasury out of the general fund of the Commonwealth upon warrant of the executive department for finance and administration, issued on the certification of the director of the legislative research commission."

and on page 5, line 2, by changing "Section 4" to "Section 6"

and on page 5, line 5, by changing "Section 5" to "Section 7"

and on page 5, line 20, by changing "Section 6" to "Section 8"

Floor Amendment No. 18 to **SB 102,** by Representatives Schmidt and Mann:

Amend printed copy of **SB 102,** page 5, after line 1, by inserting the following:

"Section 4. KRS 6.211 is amended to read as follows:

Until January 1, 1982 [Effective January 1, 1978], in addition to any and all sums, compensation, or expenses now paid the members of the general assembly and the president of the senate, each shall receive an expense allowance of seventy-five dollars ($75.00) for each calendar day. *On and after January 1, 1982, in addition to any and all sums, compensation, or expenses now paid the members of the general assembly and the president of the senate, each shall receive an expense allowance of one hundred dollars ($100.00) for each calendar day.* This sum shall be paid whether the general assembly is in regular or extraordinary session and shall be in full recompense of any additional expenses incurred in excess of that now received by them.

Section 5. KRS 6.213 is amended to read as follows:

(1) In addition to the per diem and all allowances provided by law to members of the general assembly of the Commonwealth of Kentucky each member of the legislature is hereby granted an expense allowance of *one thousand* [seven hundred fifty] dollars *($1,000)* [($750)] per month for secretarial assistance, books and periodicals, other reports or publications, conduct of small scale studies related to governmental activity, postage, telephone service, or any other expense incident to performance of the legislator's duties.

(2) The expense allowance provided for herein shall not be payable during any session of the general assembly. For sessions occurring during a part of the month, the expense allowance shall be prorated.

(3) Such expense allowances shall be paid by the state treasury out of the general fund of the Commonwealth upon warrant of the executive department for finance and administration, issued on the certification of the director of the legislative research commission."

and on page 5, line 2, by changing "Section 4" to "Section 6"

and on page 5, line 5, by changing "Section 5" to "Section 7"

and on page 5, line 10, by changing "Section 6" to "Section 8".

Floor Amendment No. 19 to **SB 102,** by Representative Hancock:

Amend printed copy of **SB 102,** page 5, after line 1, insert the following:

"Section 4. A new section of KRS Chapter 24A is created to read as follows:

In the fourth, tenth, fifteenth, twenty-fourth, thirty-fourth, fortieth, forty-first, forty-eighth, and fiftieth judicial districts, all increases in compensation approved by the 1980 regular session of the general assembly for district judges shall be retroactive to July 1, 1978."

and renumber the remaining sections to conform

Floor Amendment No. 20 to **SB 102,** by Representatives DeFalaise and Mann:

Amend printed copy of **SB 102,** on page 5, between lines 23 and 24, add the following:

"Section 6. KRS 64.741 is amended to read as follows:

(e) "Public officials" shall not include members of the general assembly.

Section 7. A NEW SECTION OF KRS CHAPTER 64 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby established a commission to be known as the legislative compensation commission consisting of seven (7) members to be appointed by the speaker of the house of representatives and by the president pro tempore of the senate. All appointments shall be for a term not to succeed two (2) years. No member of the commission shall be a member of the general assembly.

(2) The commission shall study the retirement benefits, per diem, mileage, travel expenses and other allowances, reimbursements and emoluments of members of the general assembly, in order to make specific recommendations to the general assembly.

(3) The commission shall file its report with the legislative research commission seventy-five (75) days prior to each session of the general assembly. The legislative research commission shall be responsible for the printing and distribution of the commission's report to the members of the general assembly.

(4) The recommendations of the commission shall become a part of the budget enacted for the following biennium unless specifically rejected by the general assembly.

(5) The members of the commission shall receive no compensation other than their reasonable and necessary expenses.

and renumber the subsequent sections accordingly

Amend printed copy of **SB 102,** on page 5, after line 1, add the following:

"SECTION. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Effective January 1, 1982, in order to equate or adjust the compensation of members of the general assembly and the president of the senate with the purchasing power of the dollar, the income received by each member of the general assembly and the president of the senate under KRS 6.190 shall be increased at the rate of six percent (6%) per annum to be computed beginning with fiscal year 1978 and each fiscal year thereafter."

on page 5, after line 1, renumber remaining sections accordingly.

Representative B. Richardson moved that when the House adjourns, it do so by voice vote. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so until 11:00 a.m., Thursday, March 27, 1980. Agreed.

Recess

Representative B. Richardson moved that the House recess until 8:00 p.m. Agreed.

Representative DeFalaise presiding.

Representative Mann moved that the House adjourn until 11:00 a.m., Thursday, March 27, 1980.

The motion to adjourn was adopted by voice vote.

THURSDAY, MARCH 27, 1980

FIFTY-THIRD LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Reverend Dennis Jones, First Presbyterian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the ready of the Journal of March 26, 1980, be dispensed with and the same approved. Agreed.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

State Government: **SB 385.**

Calendar

SB 181, SB 383, SR 44, SB 65, SB 20, SB 22, SB 296, SB 315, HB 937, SB 215, SB 229, SB 284, SB 290, SB 292, SB 364, SB 368, HR 116, SB 389, SB 251, SB 187, SB 19, SB 236, HR 102, SB 348, SB 151, SB 338, SB 347, SB 371, SB 366, SB 174, HB 557, HB 910, SB 195, SB 341 taken from the Calendar; and, **HR 115, SCR 54, SB 239, SB 231, SB 291, SB 295, SB 311, SB 299, SB 278, SB 308, SB 327, SB 349, SB 353, SB 390, SB 323, SB 72, SB 275,** taken from the Consent Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Report of Committees

The Committee on Rules reported **SB 33, SB 56, SB 152, SB 214, HR 46, HR 116, SB 20, SB 22, SB 31, SB 65, SB 133, SB 181, SB 215, SB 227, SB 229, SB 284, SB 288, SB 292, SB 309, SB 315, SB 326, SB 332, SB 362, SB 364, SB 368, SB 381, SB 383, SB 389, SCR 44,** have been posted for passage in Orders of the Day, March 28, 1980.

The Committee on Rules reported **HR 115, SB 68, SB 136, SB 148, SB 239, SB 246, SB 278, SB 291, SB 295, SB 298, SB 308, SB 311, SB 327, SB 349, SB 353, SB 390** have been posted for passage in Consent Orders of the Day, March 28, 1980.

The Committee on Rules reported **HB 787** has been recommitted to the Committee on Judiciary; **HB 898** recommitted to the Committee on Appropriations and Revenue; and, **HB 846** recommitted to the Committee on Appropriations and Revenue.

The Speaker announced the appointed of the Free Conference Committee on **HB 150:** Representative Weinberg, Hines, and Lundergan.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 114, HB 282, HB 356, HB 370, HB 446, HB 911,** and **HB 955** had been examined and found correctly enrolled. Said bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 114, HB 282, HB 356, HB 370, HB 446, HB 911, and **HB 955** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day

HB 817, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Pearman moved the adoption of the Committee Amendment No. 1 to **HB 817.** Agreed.

Representative Pearman moved that **HB 817,** as amended, be passed.

Representative Thomason moved the adoption of the Floor Amendment No. 4 to **HB 817.**

On the roll call the vote was yeas 25-Arnold, Bennett, Burnette, Cawood, Clapp, Curd, Davenport, Dawahare, Donnermeyer, Ellington, Head, Holbrook, Johnson, Lewis, Mann, Maynard, Moberly, Morris, Petty, B. Richardson, Stumbo, Thomason, Tobin, Worthington, Yates. Nays 55-Adams, Allen, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bruce, Burch, Caldwell, Clark, Clarke, Craddock, Crupper, DeFalaise, DeMarcus, Foster, Freibert, Fryman, Gray, Haering, Hancock, Heleringer, Hines, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Little, Lundergan, May, McNutt, Nett, Noe, O'Brien, Pearman, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Riner, Robinson, Sale, Stone, Turner, Van Horn, Weinberg, White, Wright.

Floor Amendment No. 4 to **HB 817** was rejected.

Representative Yates moved the adoption of the Floor Amendment No. 3 to **HB 817.**

On the roll call the vote was yeas 42-Adams, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Brown, Burch, Burnette, Cawood, Clapp, Clark, Crupper, Dawahare, Dunn, Guenthner, Haering, Hancock, Heleringer, Hines, Kenton, Kidd, LeMaster, List, McBee, McNutt, Morris, Nett, Noe, Rapier, Reynolds, Richards, P. Richardson, Riner, Romines, Sale, Smith, Van Horn, Weinberg, Wright, Yates. Nays 40-Allen, Barrows, Blair, Brinkley, Bruce, Caldwell, Clarke, Craddock, DeMarcus, Deskins, Ellington, Foster, Freibert, Fryman, Gray, Head, Holbrook, Isler, Jones, Holbrook, Isler, Jones, Layman, Lewis, Little, Lundergan, Mann, May, Moberly, O'Brien, Pearman, Petty, Plummer, Priddy, B. Richardson, Robinson, Schmidt, Stone, Stumbo, Thomason, Tobin, Turner, White.

Floor Amendment No. 3 to **HB 817** was adopted.

Representative Pearman moved that **HB 817,** as amended, be passed.

On the roll call the vote was yeas 69-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Dawahare, DeFalaise, DeMarcus, Deskins, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, May, McBee, McNutt, Morris, Nett, Noe, O'Brien, Pearman, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 15-Burch, Burnette, Clapp, Clarke, Donnermeyer, Holbrook, Layman, Little, Mann, Moberly, Petty, B. Richardson, Thomason, Tobin, Wilborn.

HB 817, as amended, was passed and the title agreed to.

Representative Pearman moved that the vote by which **HB 817,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 806 taken from Orders of the Day. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Schmidt moved that **HB 806** be passed.

On the roll call the vote was yeas 74-Adams, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Freibert, Fryman, Guenthner, Haering, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Morris, Nett, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Riner, Robinson, Romines, Sale, Schmidt, Stone, Thomas, Thomason, Turner, Van Horn, White, Wilborn, Worthington, Wright, Yates. Nays 14-Barrows, Bendl, Cawood, Ellington, Hancock, Head, List, McNutt, Moberly, Noe, Smith, Stumbo, Tobin, Weinberg.

HB 806 was passed and the title agreed to.

Representative Schmidt moved that the vote by which **HB 806** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 59, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richrdson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Tobin moved the adoption of the Floor Amendment No. 1 to **SB 59.** Agreed.

Representative Mann moved the adoption of the Floor Amendment No. 2 to **SB 59.** Agreed.

Representative Tobin moved that **SB 59,** as amended, be passed.

On the roll call the vote was yeas 82-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, DeFalaise, Dunn, Ellington, Foster, Freibert, Guenthner, Haering, Hancock, Head, Hines, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 3-Craddock, DeMarcus, Heleringer.

SB 59, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 59,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that consideration of **SB 27** be deferred and that it retain its position. Agreed.

SB 26, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holbrook moved the adoption of the Committee Amendment No. 1 to **SB 26.** Agreed.

Representative List moved that **SB 26,** as amended, be passed.

Representative Morris moved the adoption of the Floor Amendment No. 5 to **SB 26.**

On the roll call the vote was yeas 16-Blair, Blythe, Brinkley, Bruce, Burnette, Clapp, Crupper, Cyrus, Gray, Head, Kenton, Morris, Noe, Riner, Van Horn, Yates. Nays 54-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Bronger, Burch, Caldwell Cawood, Clarke, Craddock, Curd, Dawahare, DeFalaise, Dunn, Ellington, Foster, Freibert, Haering, Hancock, Hines, Holbrook, Isler, Johnson, Jones, Layman, LeMaster, List, Little, Lundergan, Mann, May, McNutt, Nett, Petty, Plummer, Priddy, Rapier, Reynolds, B. Richardson, P. Richardson, Sale, Schmidt, Smith, Stumbo, Thomason, Tobin, Turner, Weinberg, White, Wilborn, Williams.

Floor Amendment No. 5 to **SB 26** was rejected.

Representative Morris moved the adoption of the Floor Amendment No. 1 to **SB 26.**

On the roll call the vote was yeas 21-Blair, Blythe, Bruce, Burnette, Clapp, Crupper, Curd, Dawahare, Ellington, Gray, Head, Layman, Morris, Noe, Overstreet, Rattliff, Riner, Van Horn, Weinberg, Williams, Yates. Nays 54-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, DeFalaise, Dunn, Foster, Freibert, Fryman, Haering, Hancock, Hines, Isler, Johnson, Kenton, List, Little, Lundergan, Mann, May, Maynard, McNutt, Nett, O'Brien, Plummer, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, White, Wilborn, Wright.

Floor Amendment No. 1 to **SB 26** was rejected.

Representative B. Richardson moved the adoption of the Floor Amendment No. 3 to **SB 26.**

On the roll call the vote was yeas 45-Adams, Bendl, Bennett, Blandford, Blythe, Bronger, Bruce, Cawood, Clapp, Crupper, Curd, Davenport, Donnermeyer, Dunn, Foster, Guenthner, Heleringer, Holbrook, Holloway, Isler, Jones, Kenton, LeMaster, Lewis, List, Mann, May, McNutt, Moberly, Nett, Noe, O'Brien, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Stumbo, Thomas, Thomason, Tobin, White, Wilborn, Williams. Nays 31-Allen, Boswell, Brinkley, Burch, Burnette, Caldwell, Clark, Clarke, Dawahare, DeMarcus, Ellington, Freibert, Fryman, Gray, Haering, Hancock, Head, Johnson, Layman, Lundergan, Maynard, McKinney, Morris, Patrick, Riner, Schmidt, Stone, Van Horn, Weinberg, Worthington, Wright.

Floor Amendment No. 3 to **SB 26** was adopted.

Representative List moved that **SB 26,** as amended, be passed.

Representative Van Horn moved the adoption of the Floor Amendment No. 2 to **SB 26.**

On the roll call the vote was yeas 24-Adams, Bendl, Bennett, Blythe, Bruce, Burnette, Cyrus, Dawahare, Gray, Head, Kenton, Little, Lundergan, Mann, May, McKinney, Pearman, Priddy, Reynolds, Riner, Romines, Smith, Van Horn, Williams. Nays 50-Allen, Arnold, Barrows, Blair, Blandford, Boswell, Burch, Caldwell, Cawood, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, Ellington, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Holbrook, Holloway, Isler, Johnson, Jones, Layman, LeMaster, List, Maynard, McNutt, Moberly, Nett, O'Brien, Overstreet, Plummer, Rapier, Rattliff, Richards, P. Richardson, Sale, Schmidt, Stumbo, Thomas, Thomason, Turner, Weinberg, Wilborn, Wright.

Floor Amendment No. 2 to **SB 26** was rejected.

Representative List moved that **SB 26,** as amended, be passed.

On the roll call the vote was yeas 74-Adams, Allen, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, Ellington, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Plummer, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Weinberg, Wilborn, Williams, Worthington, Wright. Nays 15-Bennett, Bruce, Burnette, Cyrus, Dawahare, Donnermeyer, Dunn, Gray, Little, Morris, Petty, Priddy, Robinson, Van Horn, Yates.

SB 26, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 26,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended for the purpose of entertaining a motion. Agreed.

Representative B. Richardson moved that the vote on **HB 592** be reconsidered and that it be placed in Orders of the Day.

On the roll call the vote was yeas 55-Adams, Arnold, Barrows, Bendl, Bennett, Blythe, Bronger, Brown, Bruce, Caldwell, Cawood, Clarke, Craddock, Cyrus, DeFalaise, Donnermeyer, Freibert, Gray, Hines, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Noe, Overstreet, Pearman, Petty, Priddy, Reynolds, Richards, B. Richardson, P.

Richardson, Romines, Sale, Schmidt, Smith, Stumbo, Thomas, Thomason, Tobin, Wilborn, Williams, Worthington, Yates. Nays 32-Allen, Blair, Blandford, Boswell, Brinkley, Burnette, Clapp, Clark, Crupper, Curd, Davenport, Deskins, Dunn, Ellington, Head, Holbrook, Johnson, Layman, Lewis, Maynard, Patrick, Rapier, Rattliff, Riner, Robinson, Stone, Turner, Van Horn, Weinberg.

The motion that the vote on **HB 592** be reconsidered and that it be placed in Orders of the Day was adopted.

HB 592 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Jones moved that **HB 592** be passed.

On the roll call the vote was yeas 54-Adams, Arnold, Barrows, Bendl, Bennett, Blythe, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clarke, Craddock, Cyrus, Dawahare, DeFalaise, Donnermyer, Freibert, Gray, Hancock, Hines, Holloway, Isler, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Noe, Overstreet, Pearman, Petty, Priddy, Richards, P. Richardson, Romines, Sale, Schmidt, Smith, Stumbo, Thomas, Thomason, Tobin, Wilborn, Williams. Nays 37-Allen, Blair, Blandford, Boswell, Brinkley, Burnette, Clapp, Clark, Crupper, Curd, Davenport, DeMarcus, Deskins, Dunn, Ellington, Foster, Fryman, Haering, Head, Holbrook, Johnson, Kenton, Layman, Lewis, Maynard, Patrick, Rapier, Rattliff, Reynolds, B. Richardson, Riner, Robinson, Stone, Turner, Van Horn, Weinberg, White.

HB 592 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 592** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 27 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 27** be passed.

On the roll call the vote was yeas 78-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, , Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Freibert, Gray, Haering, Head, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Lundergan, Mann, May, McBee, McNutt, Moberly, Noe, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 3-Burch, Hancock, Pearman.

SB 27 was passed and the title agreed to.

Representative Richards moved that the vote by which **SB 27** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended for the purpose of entertaining a motion. Agreed.

Representative B. Richardson moved that **SB 102** be taken from the Clerk's desk and placed in Orders of the Day. Agreed.

SB 321, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative List moved that **SB 321** be passed.

On the roll call the vote was yeas 52-Adams, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Bronger, Burch, Cawood, Clarke, Craddock, DeFalaise, Donnermeyer, Dunn, Freibert, Gray, Guenthner, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, List, Lundergan, Mann, McBee, McNutt, Morris, O'Brien, Pearman, Petty, Priddy, Rapier, Reynolds, Richards, Romines, Schmidt, Smith, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Wilborn, Williams, Yates. Nays 31-Arnold, Brinkley, Brown, Bruce, Burnette, Caldwell, Clark, Crupper, Cyrus, DeMarcus, Ellington, Farrow, Fryman, Hancock, Head, Little, May, Maynard, McKinney, Moberly, Noe, Plummer, Rattliff, B. Richardson, Riner, Robinson, Sale, Stone, Weinberg, White, Worthington.

SB 321 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 321** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended to waive the 3-day posting for Committee consideration on **SB 242** and **SB 329.** Agreed.

Recess

Representative B. Richardson moved that the House recess until 3:00 p.m.

On the roll call the vote was yeas 26-Adams, Brown, Cawood, Crupper, Curd, Donnermeyer, Freibert, Hines, Holloway, Kenton, List, Little, Mann, Moberly, Morris, Petty, Priddy, Rapier, P. Richardson, Sale, Stumbo, Thomason, Tobin, Turner, Weinberg, Wilborn. Nays 8-Davenport, Deskins, Dunn, Haering, Overstreet, Robinson, Schmidt, Van Horn.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (Cont.)

SB 263 taken from the Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blandford moved that **SB 263** be passed.

On the roll call the vote was yeas 69-Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holloway, Isler, Johnson, Kidd, LeMaster, List, Little, Mann, May, McBee, McNutt, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Thomas, Turner, Van Horn, Weinberg, White, Wright, Yates. Nays 11-Adams, Brown, Clarke, Kenton, McKinney, Moberly, Reynolds, Thomason, Tobin, Wilborn, Worthington.

SB 263 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 263** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 1, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Little moved the adoption of the Committee Amendment No. 1 to **SB 1.** Agreed.

Representative Little moved the adoption of the Floor Amendment No. 1 to **SB 1.** Agreed.

Representative Little moved that **SB 1,** as amended, be passed.

On the roll call the vote was yeas 79-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, May, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright. Nays 4-Caldwell, Layman, Mann, McNutt.

SB 1, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 1,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 134 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Nett moved that **SB 134** be passed.

On the roll call the vote was yeas 92-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright. Nays 0.

SB 134 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 134** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 191 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blythe moved that **SB 191** be passed.

On the roll call the vote was yeas 67-Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Curd, Cyrus, DeFalaise, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Mann, May, Maynard, McBee, McNutt, Nett, O'Brien, Pearman, Petty, Plummer, Priddy, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Thomason, Tobin, Weinberg, Williams, Wright, Yates. Nays 19-Allen, Barrows, Clarke, DeMarcus, Deskins, Farrow, Layman, Lewis, Little, Moberly, Noe, Overstreet, Rapier, Robinson, Thomas, Turner, Van Horn, White, Worthington.

SB 191 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 191** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 18, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cawood moved the adoption of the Floor Amendment No. 1 to **SB 18.** Agreed.

Representative List moved that **SB 18,** as amended, be passed.

On the roll call the vote was yeas 65-Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Ellington, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kidd, List, Mann, May, McBee, McNutt, Morris, Nett, Noe, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 18-Allen, Burnette, Clapp, DeMarcus, Deskins, Farrow, Fryman, Layman, LeMaster, Lewis, Little, McKinney, Patrick, Rattliff, Robinson, Tobin, Turner, Van Horn.

SB 18 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 18,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 205, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cawood moved that **SB 205** be passed.

Representative Heleringer moved the adoption of the Floor Amendment No. 1 to **SB 205.**

On the roll call the vote was yeas 17-Barrows, Bendl, Bennett, Clark, Deskins, Haering, Heleringer, Hines, Kidd, Lewis, Moberly, Nett, Riner, Robinson, Stumbo, Van Horn, Williams. Nays 69-Adams, Allen, Arnold, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clapp, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, LeMaster, List, Little, Lundergan, Mann, May, McBee, McKinney, Noe, Overstreet, Pearman, Petty, Rapier, Richards, B. Richardson, P. Richardson, Sale, Smith, Thomas, Thomason, Tobin, Turner, Weinberg, White, Wilborn, Worthington, Wright, Yates.

Floor Amendment No. 1 to **SB 205** was rejected.

Representative Heleringer moved the adoption of the Floor Amendment No. 2 to **SB 205.**

Representative Wilborn requested a ruling of the Chair as to whether Floor Amendment No. 2 was properly filed.

The Speaker ruled there was a defect in the amendment.

Representative Heleringer moved that **SB 205** be laid on the Clerk's desk.

On the roll call the vote was yeas 75-Adams, Allen, Arnold, Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burnette, Cawood, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, Layman, Lewis, List, Little, Mann, Maynard, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, Riner, Robinson, Romines, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Wright, Yates. Nays 0.

The motion that **SB 205** be laid on the Clerk's desk was adopted.

A petition was filed to removed **SB 246** from the Consent Calendar, pursuant to Rule 56.

SB 58, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Tobin moved the adoption of the Floor Amendment No. 2 to **SB 58.**

Representative List moved that Floor Amendment No. 2 to **SB 58** be laid on the Clerk's desk.

Speaker Pro Tempore Hancock presiding.

On the roll call the vote was yeas 66-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Clapp, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Head, Hines, Holbrook, Holloway, Isler, Kidd, Layman, Lewis, List, May, Maynard, McKinney, Moberly, Morris, Nett, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, Riner, Romines, Sale, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 9-Clarke, Craddock, Farrow, LeMaster, Little, McNutt, Noe, B. Richardson, White.

The motion that Floor Amendment No. 2 to **SB 58** be laid on the Clerk's desk was adopted.

SB 21, with Floor Amendments attached thereto, taken, from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative List moved that **SB 21** be passed.

On the roll call the vote was yeas 54-Arnold, Barrows, Blair, Blandford, Bosell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Head, Hines, Holloway, Isler, May, Maynard, McBee, McKinney, McNutt, Morris, Nett, Noe, Overstreet, Pearman, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Sale, Smith, Stone, White, Wilborn, Wright, Yates. Nay 19-Adams, Allen, Brown, Burnette, Crupper, DeMarcus, Farrow, Fryman, Layman, LeMaster, Lewis, Little, Lundergan, Patrick, Plummer, Riner, Tobin, Turner, Van Horn.

SB 21 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 21** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SCR 43 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hines moved that **SCR 43** be passed.

On the roll call the vote was yeas 68-Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Hancock, Head, Hines, Holbrook, Holloway, Isler, Kidd, LeMaster, Lewis, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 3-Allen, Burnette, Haering.

SCR 43 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SCR 43** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 210, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Nett moved that **SB 210** be passed.

Representative Hines moved that the adoption of the Floor Amendment No. 1 to **SB 210.** Agreed.

Representative DeFalaise moved the adoption of the Floor Amendment No. 2 to **SB 210.**

On the roll call the vote was yeas 55-Adams, Allen, Bennett, Blair, Blythe, Boswell, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, Clarke, Crupper, Curd, Cyrus, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Foster, Freibert, Fryman, Gray, Holbrook, Holloway, Isler, Jones, Layman, LeMaster, May, McBee, McKinney, Moberly, Nett, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Robinson, Romines, Schmidt, Thomason, Tobin, Turner, Van Horn, White, Yates. Nays 17-Barrows, Cawood, Craddock, Deskins, Haering, Hancock, Johnson, Kidd, Lewis, List, Maynard, McNutt, Noe, Patrick, Stumbo, Weinberg, Wright.

Floor Amendment No. 2 to **SB 210** was adopted.

Representative Williams moved the adoption of the Floor Amendment No. 3 to **SB 210.**

Representative Farrow requested a ruling of the Chair as to whether Floor Amendment No. 3 was germane.

The Speaker ruled Floor Amendment No. 3 was not germane.

Representative Fryman moved that **SB 210** be laid on the table.

On the roll call the vote was yeas 45-Allen, Bennett, Blandford, Boswell, Bronger, Burch, Burnette, Clapp, Cyrus, Davenport, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Head, Hines, Kidd, Layman, Lewis, Little, Lundergan, McBee, McKinney, O'Brien, Overstreet, Patrick, Plummer, Reynolds, Riner, Robinson, Romines, Stone, Stumbo, Turner, Van Horn, White, Williams, Yates. Nays 40-Adams, Barrows, Bendl, Blair, Blythe, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Dawahare, DeFalaise, Haering, Hancock, Heleringer, Holloway, Isler, Jones, LeMaster, List, Mann, McNutt, Nett, Noe, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, Sale, Schmidt, Thomas, Thomason, Tobin, Weinberg, Wilborn, Worthington, Wright.

The motion that **SB 210** be laid on the table was adopted.

Recess

Representative B. Richardson moved that the House recess for ten minutes.

On the roll call the vote was yeas 28-Arnold, Bendl, Brown, Bruce, Cyrus, Davenport, Farrow, Foster, Freibert, Holbrook, Holloway, Isler, List, Lundergan, Nett, O'Brien, Pearman, Priddy, P. Richardson, Riner, Sale, Smith, Stone, Stumbo, Thomason, Wilborn, Yates. Nays 11-Allen, Deskins, Guenthner, Heleringer, Layman, LeMaster, Overstreet, Plummer, Robinson, Turner, Van Horn.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative B. Richardson moved that the rules be suspended for Report of Committees. Agreed.

Report of Committees

The Committee on Rules reported **HB 669** has been posted for passage in Orders of the Day for March 27, 1980.

The Committee on Rules reported **HB 536, HB 861,** and **HB 930** have been recommitted to the Committee on Appropriations and Revenue; **SB 157** recommitted to the Committee on Agriculture and Small Business.

The Committee on Rules reported **HB 380, HB 519, SB 251, SB 187, HB 420, SB 249, SB 243, SB 79, SB 290, SB 174, SB 236, SB 338, SB 347, SB 348, SB 366,** and **SB 371** have been posted for passage in Orders of the Day for March 28, 1980.

The Committee on Rules reported **SB 77, SCR 54, SB 72,** and **SB 299** have been posted for passage in Consent Orders of the Day for March 28, 1980.

Posting of Bills and Resolutions for Consideration

The Clerk announced **SB 329** has been posted for consideration by the Committee on Transportation.

Orders of the Day (Cont.)

SB 102, as previously amended by Floor Amendments No. 2, No. 5, No. 6 and No. 8, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative Clarke moved that **SB 102,** as amended, be passed.

Representative Mann moved the adoption of Floor Amendment No. 18 to **SB 102.** Agreed.

Representative Mann moved the adoption of the Floor Amendment No. 20 to **SB 102.** Agreed.

Representative Lundergan moved the adoption of the Floor Amendment No. 21 to **SB 102.**

On the roll call the vote was yeas 3-Guenthner, Lundergan, Yates. Nays 84-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, Jones, Layman, LeMaster, Lewis, List, Little, Mann, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright.

Floor Amendment No. 21 to **SB 102** was rejected.

Representative Gray moved the adoption of the Floor Amendment No. 14 to **SB 102.**

On the roll call the vote was yeas 45-Bendl, Bennett, Blythe, Brinkley, Burch, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Davenport, Dawahre, Donnermeyer, Dunn, Foster, Gray, Guenthner, Head, Heleringer, Hines, Isler, Johnson, Kenton, Kidd, Lewis, Little, Mann, Maynard, McBee, Noe, Petty, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Thomason, Tobin, Williams, Yates. Nays 42-Adams, Allen, Arnold, Barrows, Blandford, Boswell, Bronger, Burnette, Clarke, Cyrus, DeFalaise, Ellington, Farrow, Freibert, Haering, Hancock, Holbrook, Holloway, Layman, LeMaster, List, May, McNutt, Moberly, Morris, Nett, O'Brien, Overstreet, Plummer, Reynolds, Richards, Riner, Robinson, Stumbo, Thomas, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright.

Floor Amendment No. 14 to **SB 102** was adopted.

Representative B. Richardson moved that **SB 102,** as amended, be passed.

On the roll call the vote was yeas 63-Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Burch, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Foster, Guenthner, Dunn, Foster, Guenthner, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Morris, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Reynolds, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams. Nays 28-Adams, Allen, Arnold, Brinkley, Bruce, Burnette, Caldwell, Clarke, Davenport, Ellington, Farrow, Freibert, Fryman, Gray, Haering, Hancock, Jones, Layman, List, Nett, Plummer, Rattliff, Richards, B. Richardson, Riner, Thomas, Worthington, Wright.

SB 102, as amended, was passed.

Representative Clarke moved the adoption of the Floor Title Amendment No. 2 to **SB 102.** Agreed.

Representative B. Richardson moved that the vote by which **SB 102,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 266, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Dunn moved the adoption of the Floor Amendment No. 1 to **SB 266.**

On the roll call the vote was yeas 68-Allen, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Foster, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kidd, LeMaster, Lewis, List, Lundergan, Mann, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, B. Richardson, P. Richardson, Riner, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 4-Deskins, Ellington, Tobin, Turner.

Floor Amendment No. 1 to **SB 266** was adopted.

Representative Worthington moved that **SB 266** be passed.

On the roll call the vote was yeas 81-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Heleringer, Hines, Isler, Johnson, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 7-Burnette, Clapp, Curd, Ellington, Holbrook, Holloway, Morris.

SB 266 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 266** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that consideration of **HB 669** be deferred and that it retain its position in Orders of the Day. Agreed.

SB 80 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Boswell moved that **SB 80** be passed.

On the roll call the vote was yeas 76-Allen, Arnold, Barrows, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kidd, LeMaster, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 12-Adams, Bendl, Bennett, Curd, DeMarcus, Gray, Riner, Robinson, Smith, Van Horn, White, Williams.

SB 80 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 80** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 66 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gray moved that **SB 66** be passed.

On the roll call the vote was yeas 84-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brown, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 3-Clarke, DeMarcus, Hancock.

SB 66 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 66** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 10, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holbrook moved that **SB 10** be passed.

Representative B. Richardson moved the adoption of the Floor Amendment No. 1 to **SB 10.**

On the roll call the vote was yeas 24-Barrows, Blythe, Brinkley, Bruce, Caldwell, Clapp, Crupper, Curd, DeFalaise, Ellington, Foster, Gray, Kenton, LeMaster, Moberly, Morris, Rapier, Rattliff, Reynolds, B. Richardson, Schmidt, Stumbo, Thomason, Turner. Nays 39-Adams, Bennett, Blair, Blandford, Boswell, Bronger, Brown, Burch, Burnette, Clarke, Craddock, Davenport, Dawahare, Farrow, Freibert, Guenthner, Haering, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Layman, Lewis, Little, Maynard, McNutt, Noe, O'Brien, Overstreet, Richards, Sale, Tobin, Van Horn, White, Wilborn, Wright, Yates.

Floor Amendment No. 1 to **SB 10** was rejected.

On the roll call the vote was yeas 37-Arnold, Bendl, Blair, Brown, Bruce, Burnette, Caldwell, Cawood, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Farrow, Guenthner, Haering, Hancock, Heleringer, Holbrook, Holloway, Isler, Lewis, List, Mann, May, McKinney, Moberly, Morris, Pearman, Petty, Plummer, P. Richardson, Sale, Schmidt, Thomas, Wilborn, Wright. Nays 50-Adams, Allen, Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Deskins, Dunn, Ellington, Foster, Freibert, Fryman, Gray, Head, Kenton, Layman, LeMaster, Little, Maynard, McBee, McNutt, Noe, O'Brien, Overstreet, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, Riner, Robinson, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White.

SB 10 was defeated.

HB 669, with Committee Substitute attached thereto, taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Substitute to **HB 669.** Agreed.

Representative B. Richardson moved that **HB 669,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 50-Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Foster, Gray, Guenthner, Haering, Hancock, Isler, Kenton, Lewis, List, Little, May, Maynard, McBee, McNutt, Morris, Noe, Overstreet, Pearman, Petty, Plummer, Rapier, Reynolds, B. Richardson, P. Richardson, Sale, Stone, Stumbo, Turner, Van Horn, White, Yates. Nays 19-Adams, Allen, Barrows, Bennett, Clarke, DeFalaise, Freibert, Fryman, LeMaster, Moberly, O'Brien, Richards, Riner, Smith, Tobin, Wilborn, Williams, Worthington, Wright.

HB 669, by way of Committee Substitute, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 669,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 237 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bruce moved that **SB 237** be passed.

On the roll call the vote was yeas 84-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, LeMaster, Lewis, List, Little, Mann, May, Maynard, McBee, Moberly, Morris, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 3-McNutt, Smith, Tobin.

SB 237 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 237** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended for the purpose of entertaining a motion. Agreed.

Representative Holloway moved that the vote on **HB 483** be reconsidered and that it be placed in Orders of the Day.

On the roll call the vote was yeas 50-Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Craddock, Cryus, DeFalaise, Deskins, Donnermeyer, Dunn, Foster, Gray, Guenthner, Holbrook, Holloway, Isler, Johnson, Jones, LeMaster, Little, Mann, McBee, Moberly, Morris, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Richards, Riner, Schmidt, Smith, Stone, Stumbo, Thomas, Van Horn, Weinberg, Williams, Worthington. Nays 23-Allen, Blythe Burnette, Crupper, Curd, Ellington, Farrow, Freibert, Fryman, Haering, Head, Heleringer, Layman, Lewis, List, Maynard, McNutt, Rapier, Rattliff, Thomason, Tobin, Turner, White.

The motion that the vote on **HB 483** be reconsidered and placed in Orders of the Day was adopted.

HB 483 taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative Cyrus moved that the rules be suspended to allow a floor amendment filed today to be considered.

On the roll call the vote was yeas 58-Adams, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Foster, Gray, Guenthner, Hancock, Heleringer, Holbrook, Holloway, Isler, Kenton, Little, Mann, May, McBee, Moberly, Morris, Noe, O'Brien, Pearman, Richards, B. Richardson, Riner, Schmidt, Smith, Stone, Stumbo, Thomas, Van Horn, Weinberg, Williams, Worthington, Wright, Yates. Nays 10-Blair Blythe, Clarke, Craddock, Ellington, Freibert, Haering, McNutt, Tobin, Turner.

Speaker Pro Tempore Hancock presiding.

The motion that the rules be suspended to allow consideration of an amendment filed today was adopted.

Representative Cyrus moved the adoption of the Floor Amendment No. 2 to **HB 483**. Agreed.

Representative Cyrus moved that **HB 483,** as amended, be passed.

On the roll call the vote was yeas 51-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, Little, McBee, Moberly, Noe, O'Brien, Overstreet, Pearman, Priddy, Reynolds, Richards, Riner, Smith, Stone, Stumbo, Thomas, Van Horn, Weinberg, Williams, Worthington, Wright, Yates. Nays 27-Allen, Blair, Blythe, Clapp, Clarke, Craddock, Crupper, Curd, Ellington, Farrow, Foster, Freibert, Fryman, Haering, Layman, Lewis, List, May, McKinney, McNutt, Morris, Rapier, Robinson, Tobin, Turner, White, Wilborn.

HB 483, as amended, was passed and the title agreed to.

SB 141, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved the adoption of the Committee Substitute to **SB 141.** Agreed.

Representative Morris moved that **SB 141,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 57-Adams, Barrows, Bendl, Blair, Brinkley, Brown, Bruce, Burch, Cawood, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, May, Maynard, McKinney, Moberly, Morris, Noe, Overstreet, Plummer, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 33-Allen, Arnold, Bennett, Blandford, Blythe, Boswell, Burnette, Caldwell, Clapp, Clark, Cyrus, Donnermeyer, Dunn, Ellington, Foster, Friebert, Fryman, Gray, Haering, Jones, Mann, McNutt, O'Brien, Petty, Priddy, Riner, Schmidt, Smith, Riner, Schmidt, Smith, Stone, Turner, Worthington, Wright.

SB 141, by way of Committee Substitute, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 141,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that consideration of all Bills and Resolutions remaining in Orders of the Day be deferred and that they retain their position. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so by voice vote. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so until 10:00 a.m., Friday, March 28, 1980. Agreed.

Representative B. Richardson moved that no other business be conducted on this day other than Introduction of Resolutions, filing of amendments, Report of Committees, consideration of Citations, and recording of votes. Agreed.

Representative Farrow moved that he be recorded as voting "nay" on **HB 806;** "yea" on **SB 59;** "yea" on **HB 817;** "yea" on **SB 27.** Agreed.

Representative Isler moved that he be recorded as voting "nay" on **SB 26.** Agreed.

Representative Cyrus moved that he be recorded as voting "yea" on **HB 817.** Agreed.

Representative Barrows moved that he be recorded as voting "nay" on **SB 102.** Agreed.

Representative Kidd moved that she be recorded as voting "yea" on **HB 583.**

Representative Robinson moved that he be recorded as voting "yea" on **HB 457.** Agreed.

Representative Cawood moved the adoption of the following Legislative Citation No. 87:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Bell County "Bobcats" Basketball Team and your excellent coach, Harold Combs as winner of the thirteenth Regional Tournament. Your outstanding 28-4 record reflects your hard work and superior performance. This victory qualified you to advance to the "Sweet Sixteen" State Tournament to be held in Louisville, Kentucky, March 26-29, 1980. Your competitive spirit, sportsmanship and positive team effort are most complimentary. This prestigious body applauds and salutes you for the honor you have bestowed on your school, community and the Commonwealth of Kentucky, and extends best wishes for your continued success in your future athletic events. (Sponsored by Representative Cawood)

Agreed.

Representative Ellington moved the adoption of the Legislative Citation No. 88:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Heath High School "Lady Pirates" Basketball Team and your excellent coach Mr. Bobby Noles of McCracken County for capturing the First Regional Championship. This victory qualified you to advance to the "Girls' Sweet 16" State Tournament held at Eastern Kentucky University, Richmond, Kentucky, March 19-22, 1980. Your superb 26-1 record (winning 25 games in a row) reflects hard work, school loyalty and a great team effort. Your superior performance has bestowed distinction upon your school, community and the Commonwealth of Kentucky. This prestigious body applauds and extends our best wishes to the team and your magnificent coach for continued success in future athletic events. (Sponsored by Representative Ellington)

Agreed.

Representative Boswell moved that the rules be suspended for the purpose of making a motion concerning co-sponsors of Bills and Resolutions.

Representative Boswell moved that all properly filed co-sponsor requests be approved. Agreed.

The following members filed requests to have their names added as co-sponsors of Bills an Resolutions:
Representative Donnermeyer, **HB 974.**

Introduction of Resolution

HR 136, by Representative Hancock: A RESOLUTION honoring the Reverend John C. Chenault.

Report of Committees

The Committee on Appropriations and Revenue reported **SB 265,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 265, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) In addition to any other remedy provided by the laws of the Commonwealth, if any person has been assessed for any tax provided by the laws of the Commonwealth and if such person has not sought administrative or judicial review of the assessment as provided for in KRS 131.110, or if such person has sought but exhausted all administrative and judicial review so that the assessment is final, due and owing, then the commissioner of revenue or a person designated by him may cause a demand to be made on the person for the payment thereof. If the tax remains unpaid for ten (10) days after the demand, then the commissioner or a person designated by him may cause a warrant to be issued, directed to any sheriff or other person authorized to serve process, commanding the sheriff or other person to levy upon and sell the personalty and realty of the taxpayer found within this jurisdiction, for the payment of the amount of the tax, penalty, interest and cost of the levy. The warrant shall be returned to the department together with the money collected within the time specified within the warrant which shall not be less than twenty (20) nor more than ninety (90) days from the date of the warrant.

(2) The sheriff or other person to whom the warrant is directed shall proceed in the same manner with the warrant as prescribed by law in respect to executions issued against property upon judgments by

a court of record and shall be entitled to the same fees for his services in executing the warrant as he would be entitled to for collecting debts under an execution as provided by KRS 64.090.

(3) If the department makes a finding that the collection of the tax is in jeopardy, notice and demand for immediate payment of such tax may be made by the department and upon failure or refusal to pay the tax, immediate levy shall be lawful without regard to the 10-day period provided in this section.

(4) No proceedings under this section shall be commenced more than five (5) years after the assessment becomes final.

(5) The term "levy" as used in this section includes the power of distraint and seizure by any means. A levy shall extend only to property possessed and obligations existing at the time thereof. In any case in which the department issues a warrant to a sheriff to levy upon property or rights to property, the department may cause the sheriff to seize and sell such property or rights whether real, personal, tangible or intangible.

SECTION 2. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) Levy may be made with respect to any unpaid tax only after the department has given notice and demand to such person in writing of the intention to make such levy. Such notice and demand shall be given in person, left at the dwelling or usual place of business of such person, or shall be sent by mail to such person's last known address, no less than ten (10) days before the date of levy.

(2) Subsection (1) of this section shall not apply to a levy if the department has made a finding under Section 1(3) of this Act that the collection of tax is in jeopardy.

(3) (a) The effect of a levy on salary or wages payable to or received by a person shall be continuous from the date such levy is first made until the liability out of which such levy arose is satisfied or becomes unenforceable by reason of lapse of time.

(b) With respect to a levy described in paragraph (a) of this subsection, the department shall promptly release the levy when the liability out of which such levy arose is satisfied or becomes unenforceable by reason of lapse of time, and shall promptly notify the person upon whom such levy was made that such levy has been released.

SECTION 3. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) Any person in possession of or obligated with respect to property or rights to property subject to levy upon which a levy has been made shall, upon demand of the sheriff, surrender such property or rights or discharge such obligation to the sheriff, except such part of the property or rights as is, at the time of such demand, subject to an attachment or execution under any judicial process.

(2) (a) Any person who fails or refuses to surrender any property or rights to property subject to levy shall be liable in his own person and estate to the Commonwealth in a sum equal to the value of the property or rights not so surrended, but not exceeding the amount of taxes for the collection of which such levy has been made, together with costs and interest on such sum at the rate of eight percent (8%) per annum from the date of such levy. Any amount other than costs recovered under this paragraph shall be credited against the tax liability for the collection of which such levy was made.

(b) In addition to the personal liability imposed by paragraph (a) of this subsection, if any person required to surrender property or rights to property fails or refuses to surrender such property or rights to property without reasonable cause, such person shall be liable for a penalty equal to fifty percent (50%) of the amount recoverable under paragraph (a) of this subsection. No part of such penalty shall be credited against the tax liability for the collection of which such levy was made.

(3) Any person in possession of or obligated with respect to property or rights to property subject to levy upon which a levy has been made who, upon demand by the sheriff, surrenders such property or rights to property or discharges such obligation to the sheriff shall be discharged from any obligation or liability to the delinquent taxpayer with respect to such property or rights to property arising from such surrender or payment.

SECTION 4. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

If a levy has been made or is about to be made on any property or right to property, any person having custody or control of any books or records containing evidence or statements relating to the property or evidence or statements relating to the right to property subject to levy shall, upon demand of the department, exhibit such books or records to the department.

SECTION 5. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) Any person whose property has been levied upon shall have the right to pay the amount due, together with the expense of the proceeding, to the commissioner or his delegate at any time prior to the sale thereof and upon such payment the commissioner of his delegate shall cause such property to be restored to him and all further proceedings in connection with the levy on such property shall cease from the time of such payment.

(2) Any person whose property has been levied upon and sold shall have the same rights of redemption as provided in cases of executions in KRS Chapter 426.

SECTION 6. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) It shall be lawful for the commissioner or his delegate, under regulations prescribed by the commissioner, to release the levy upon all or part of the property or rights to property levied upon where the commissioner or his delegate determines that such action will facilitate the collection of the liability, but such release shall not operate to prevent any subsequent levy.

(2) If the commissioner determines that property has been wrongfully levied upon, it shall be lawful for the commissioner to return the specific property levied upon, or an amount of money equal to the amount of money levied upon, or any amount of money equal to the amount of money received by the Commonwealth from a sale of such property.

(3) Property may be returned at any time. An amount equal to the amount of money levied upon or received from such sale may be returned at any time before the expiration of one (1) year from the date of such levy.

The Committee Substitute to **SB 265** is as follows:

SB 265, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) In addition to any other remedy provided by the laws of the Commonwealth, if any person has been assessed for a tax the collection of which is administered by the department of revenue as provided by the laws of the Commonwealth and if such person has not sought administrative or judicial review of the assessment as provided for in KRS 131.110, or if such person has sought but exhausted all administrative and judicial review so that the assessment is final, due and owing, then the commissioner of revenue or a person designated by him may cause a demand to be made on the person for the payment thereof. If the tax remains unpaid for ten (10) days after the demand, then the commissioner or a person designated by him may cause a warrant to be issued, directed to any sheriff or other person authorized to serve process, commanding the sheriff or other person to levy upon and sell the personalty and realty of the taxpayer found within this jurisdiction, for the payment of the amount of the tax, penalty, interest and cost of the levy. The warrant shall be returned to the department together with the money collected within the time specified within the warrant which shall not be less than thirty (30) nor more than ninety (90) days from the date of the warrant.

(2) The sheriff or other person to whom the warrant is directed shall proceed in the same manner with the warrant as prescribed by law in respect to executions issued against property upon judgments by a court of record and shall be entitled to the same fees for his services in executing the warrant as he would be entitled to for collecting debts under an execution as provided by KRS 64.090.

(3) No proceedings under this section shall be commenced more than five (5) years after the assessment becomes final.

(4) The term "levy" as used in this section includes the power of distraint and seizure. A levy shall extend only to property possessed and obligations existing at the time thereof. In any case in which the department issues a warrant to a sheriff to levy upon property or rights to property, the department may cause the sheriff to seize and sell such property or rights whether real, personal, tangible or intangible.

SECTION 2. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) Levy may be made with respect to any unpaid tax only after the department has given notice and demand to such person in writing of the intention to make such levy. Such notice and demand shall be given in person, or shall be sent by certified mail to such person's last known address, no less than ten (10) days before the date of levy.

(2) (a) The effect of a levy on salary or wages payable to or received by a person shall be continuous from the date such levy is first made until the liability out of which such levy arose is satisfied or becomes unenforceable by reason of lapse of time.

(b) With respect to a levy described in paragraph (a) of this subsection, the department shall promptly release the levy when the liability out of which such levy arose is satisfied or becomes unenforceable by reason of lapse of time, and shall promptly notify the person upon whom such levy was made that such levy has been released.

SECTION 3. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) Any person in possession of or obligated with respect to property or rights to property subject to levy upon which a levy has been made shall, upon demand of the sheriff, surrender such property or rights or discharge such obligation to the sheriff, except such part of the property or rights as is, at the time of such demand, subject to an attachment or execution under any judicial process.

(2) Any person who fails or refuses to surrender any property or rights to property subject to levy shall be liable in his own person and estate to the Commonwealth in a sum equal to the value of the property or rights not so surrended, but not exceeding the amount of taxes for the collection of which such levy has been made, together with costs and interest on such sum at the rate of eight percent (8%) per annum from the date of such levy. Any amount other than costs recovered under this paragraph shall be credited against the tax liability for the collection of which such levy was made.

(3) Any person in possession of or obligated with respect to property or rights to property subject to levy upon which a levy has been made who, upon demand by the sheriff, surrenders such property or rights to property or discharges such obligation to the sheriff shall be discharged from any obligation or liability to the delinquent taxpayer with respect to such property or rights to property arising from such surrender or payment.

SECTION 4. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) Any person whose property has been levied upon shall have the right to pay the amount due, together with the expense of the proceeding, to the commissioner or his delegate at any time prior to the sale thereof and upon such payment the commissioner of his delegate shall cause such property to be restored to him and all further proceedings in connection with the levy on such property shall cease from the time of such payment.

(2) Any person whose property has been levied upon and sold shall have the same rights of redemption as provided in cases of executions in KRS Chapter 426.

SECTION 5. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) It shall be lawful for the commissioner or his delegate, under regulations prescribed by the commissioner, to release the levy upon all or part of the property or rights to property levied upon where the commissioner or his delegate determines that such action will facilitate the collection of the liability, but such release shall not operate to prevent any subsequent levy.

(2) If the commissioner determines that property has been wrongfully levied upon, it shall be lawful for the commissioner to return the specific property levied upon, or an amount of money equal to the amount of money levied upon, or any amount of money equal to the amount of money received by the Commonwealth from a sale of such property.

(3) Property may be returned at any time. An amount equal to the amount of money levied upon or received from such sale may be returned at any time before the expiration of four (4) years from the date of such levy.

(4) If the property has been wrongfully levied upon by the department of revenue, the department shall pay a penalty to the owner. If the property has been returned to the owner under the provisions of Section 5 of this Act, such penalty shall be ten percent (10%) of the fair market value of the property levied upon except that it shall not exceed five thousand dollars ($5,000) nor be less than five hundred dollars ($500). If the property has been sold, the department shall pay a penalty of ten percent (10%) of the proceeds from such sale except that the penalty shall not exceed five thousand dollars ($5,000) nor be less than five hundred dollars ($500). In addition to the penalties levied above, the department shall pay interest at the rate of ten percent (10%) per annum upon the fair market value of the property or, if such property is sold, upon the proceeds from such sale. Interest shall accrue from the date the property is wrongfully seized until the owner receives either the proceeds from such sale or the property is returned.

The Committee on Counties and Special Districts reported **SB 235** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 235, AN ACT relating to county clerks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 64.012 is amended to read as follows:
The county clerk shall receive for the following services the following fees:

Recording deed of trust or assignment for the benefit of creditors, provided the entire record thereof does not exceed three pages	$ *6.00*[5.00]
Exceeding three pages, for each page	1.50
Copy and certification of same when ordered	3.50
Each bond required to be taken or prepared by the clerk	2.00
Copy of any bond when ordered	1.50
Recording a bond, each bond	*7.00*[5.00]
Receiving the acknowledgment or proof of any deed, mortgage or agreement, power of attorney, or other written instrument required by law to be done and certifying same	1.25
Recording the conveyance of personal property, taking the acknowledgement, and recording the orders and certificates	*6.00*
Certified copy of conveyance of personal property	*5.00*
Recording easements	*6.00*
Taking the acknowledgment or proof of a deed of real estate, certifying and recording the same and recording his own certificate, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Certified copy of deed	*5.00*[3.50]
Recording a mortgage of real estate, certificates, and all services connected with the same, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Certified copy of real estate mortgage	*5.00*[3.50]
Recording deed of assignment of real estate mortgage	*6.00*[5.00]
Noting release of any lien, mortgage or redemption other than a deed of release	1.50
Receiving the acknowledgment, recording and certifying each deed of release of a mortgage or lien under KRS 382.360	*6.00*[5.00]
Each additional marginal notation relating to same instrument	1.50
Marginal notation only	*1.50*
Making a record for the establishment of a city, recording the plan or plat thereof, and all other services incident	10.00
Recording survey of a city, or any part thereof, or any addition to or extensions of the boundary of a city	10.00
Every order concerning the establishment, changing, closing or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed or discontinued, and by the applicant when it is not	1.00
Administering an oath and certificate thereof	1.00
Issuing license for which no other fee is fixed by law	*6.00*[1.50]
Marriage license, bond, certificate and recording	*6.50*[4.00]
Certified copy of marriage license	*3.50*
For filing and indexing an original or continuation financing statement, and noting the security interest on the required receipt for one motor vehicle	*7.00*[6.00]
For filing and indexing an assignment of a financing statement	*8.00*[6.00]
For filing and amending a financing statement	*8.00*
For filing and noting a statement of release of collateral under a financing statement	1.00
Recording real estate options, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Recording power of attorney or revocation of power of attorney, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Recording plats, maps and surveys[, not exceeding 18 inches by 24 inches, per page]	*11.00*[10.00]
Recording all leases which are recordable by law, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Marginal notation to same instrument	1.50
Filing or recording of certification of intention to operate a business under an assumed name	*7.00*[5.00]
Filing or recording of mechanic's and artisan's liens under KRS Chapter 376	*6.00*[5.00]
Filing or recording of notice of lien issued by the Internal Revenue Service, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Filing or recording of notice of lien discharges issued by the Internal Revenue Service, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Each additional lien relating to the same instrument	*1.50*

Exceeding three (3) pages, for each page	*1.50*
Filing or recording of lis pendens notice concerning proceedings in bankruptcy and other lis pendens notices, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Filing or recording United States liens, provided the entire record per lien does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Each additional lien relating to the same instrument	*1.50*
Filing or recording release of a United States lien, provided the entire record per lien does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Each additional lien relating to the same instrument	*1.50*
Filing or recording state tax or other state liens, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Each additional lien relating to the same instrument	*1.50*
Filing release of a state tax or other state lien, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Each additional lien relating to the same instrument	*1.50*
Filing notification and declaration and petition of candidates for office	5.00
Deposit of wills under KRS 394.110	5.00
Recording wills or other probate documents under KRS 394.300	*10.00*[5.00]
Recording renunciation of wills	*5.00*
Issuance of fish and game licenses or tags costing more than $1.00 each	.50
Registration of licenses for professional persons required to register with the county clerk	*6.00*[5.00]
Recording and issuing articles, statements, or reports of corporations pursuant to KRS Chapter 271A, including articles of incorporation amendment, restatement of incorporation, merger, or dissolution and statements of establishment of a series of shares, cancellation of a series of shares, reduction of capital, intent to dissolve, revocation of voluntary dissolution, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Miscellaneous recordings for which no specific fee is set, provided the entire record thereof does not exceed three pages (except military discharges)	*6.00*[5.00]
Exceeding three pages, each additional page	1.50
Filing miscellaneous documents for which no specific fee is set, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, each additional page	1.50
Recording mergers of foreign corporations	*11.00*
Registering and filing a statement of trust	*6.00*
Filing a certificate of partnership, provided the entire record thereof does not exceed three (3) pages	*6.00*
Exceeding three (3) pages, for each page	*1.50*

Section 2. KRS 273.368 is amended to read as follows:

In respect of the following documents, the fees to be collected by the secretary of state for filing and issuing, when required by this chapter, and by the county clerk for recording, when required by this chapter, shall be:

(1) Articles of incorporation and a certificate of incorporation, by the secretary of state four dollars ($4), and by the clerk, *four dollars ($4) for the first three (3) pages and one dollar and fifty cents ($1.50) for each additional page* [three dollars ($3.00)];

(2) Articles of amendment and a certificate of amendment, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(3) Restated articles of incorporation and restated certificate of incorporation, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(4) Articles of merger or consolidation and a certificate of merger or consolidation, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(5) Articles of dissolution and certificate of dissolution, by the secretary of state, three dollars ($3), and by the clerk, two dollars ($2);

(6) A statement of change of address of registered office or change of registered agent, or both, by the secretary of state, five dollars ($5);

(7) A statement by a foreign corporation designating a resident process agent, by the secretary of state, five dollars ($5);

(8) An annual report by a domestic corporation, by the secretary of state, two dollars ($2);
(9) An annual report by a foreign corporation, by the secretary of state, four dollars ($4); and
(10) Certified copy of the articles of incorporation and existing amendments, by the secretary of state, twenty-five dollars ($25) as an original filing fee, and a recording fee of ten dollars ($10); ten dollars ($10) for recording subsequent amendments.
(11) Any other statement or report of a foreign or domestic corporation, by the secretary of state, four dollars ($4), and by the clerk, two dollars ($2).

The Committee on Judiciary reported **SB 363** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 363, AN ACT relating to the board of claims.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 44.140 is amended to read as follows:

(1) Appeals may be taken *by a state agency* from all awards of the board where the amount in controversy, exclusive of interest and costs, is more than *five hundred dollars ($500)* [one hundred dollars ($100)]. Appeals shall be taken to the circuit court of the county wherein the hearing was conducted, provided, however, that an appeal involving a nonresident claimant may be taken *by a state agency* to the Franklin Circuit Court with the approval of the board. *No state agency can appeal any decision of the board without securing the prior approval of the attorney general.* Appeals shall be taken within *forty-five (45)* [thirty (30)] days from the rendition of the award, and the method of appeals shall follow as nearly as may be the Rules of Civil Procedure, except the commonwealth shall not be required to execute bond.

(2) *Any claimant whose claim is five hundred dollars ($500) or greater may within thirty (30) days after receipt of the copy of the report containing the final decision of the board, file a proceeding in the circuit court of the county wherein the hearing was conducted to review the decision of the board. If the claim is less than five hundred dollars ($500), the proceeding may be filed in the district court of the district wherein the claim arose. A copy of the filing and complaint shall be served on the attorney general in the manner provided by the rules of civil procedure.*

(3) On appeal no new evidence may be introduced, except as to fraud or misconduct of some person engaged in the hearing before the board. The court sitting without a jury shall hear the cause upon the record before it, and dispose of the appeal in a summary manner, being limited to determining: Whether or not the board acted without or in excess of its powers; the award was procured by fraud; the award is not in conformity to the provisions of KRS 44.070 to 44.160; and whether the findings of fact support the award. The court shall enter its findings on the order book as a judgment of the court, and such judgment shall have the same effect and be enforceable as any other judgment of the court in civil causes.

The Committee on State Government reported **SB 242, SB 297** with Committee Amendment attached thereto, and **SB 376** with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 242, AN ACT relating to retirement service credit.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 61.552 is amended to read as follows:

(1) Any employe of a department participating in the Kentucky employes retirement system, or any employe of an agency participating in the county employes retirement system, or any member of the state police retirement system, or any active contributing member of the teachers' retirement system or a contributing member of the judicial retirement system or an employe of a parted employer whose employment has previously been terminated and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system from which he received the refund or refunds the amount or amounts refunded with interest at a rate determined by the board of the respective retirement system provided, however, the provisions of KRS 161.470 must be met in order to regain such credit in the teachers' retirement system and provided further that KRS 21.460 shall govern with respect to regaining credit in the judicial retirement system. Such payment including interest as determined by the board shall

be deposited to the member's contribution account and considered as accumulated contributions of the individual member.

(2) Any employe of a county participating in the county employes retirement system or any former county employe who is an employe of a participating department in the Kentucky employes retirement system or a contributing member of the state police retirement system, teachers' retirement system, or judicial retirement system who did not elect membership in the county employes retirement system as provided in subsection (2) of KRS 78.540 may obtain credit in the county employes retirement system for prior service and for current service by paying to the county employes retirement system a delayed contribution payment for the service he would have received had he elected membership.

(3) Any employe of a participating department or any former state employe who is an employe of a county participating in the county employes retirement system or a contributing member of the state police retirement system, teachers' retirement system or judicial retirement system who did not elect membership in the Kentucky employes retirement system as provided in subsection (2) of KRS 61.525 may obtain credit in the Kentucky employes retirement system for prior service and for current service by paying to the system a delayed contribution payment for the service he would have received had he elected membership.

(4) An employe of a participating department which did not participate in the system effective July 1, 1956, or any former state employe who is an employe of a county participating in the county employes retirement system or a contributing member of the state police retirement system, teachers' retirement system or judicial retirement system may obtain credit in the Kentucky employes retirement system for current service between July 1, 1956, and the effective date of participation of his department by paying to the system a delayed contribution payment for the service he would have received had his department participated on July 1, 1956.

(5) An employe of a county participating in the county employes retirement system which did not participate in the system effective July 1, 1958, or any former county employe who is an employe of a department participating in the Kentucky employes retirement system or a contributing member of the state police retirement system, teachers' retirement system or judicial retirement system may obtain credit in the county employes retirement system for current service between July 1, 1958, and the effective date of participation of his county by paying to the county employes retirement system a delayed contribution payment for the services he would have received had his county participated on July 1, 1958.

(6) Effective January 1, 1975, service credit obtained under subsections (1) to (5) of this section shall be disallowed and the recontribution of refund including interest as determined by the board and the delayed contribution payment, if any, shall be paid to the member, upon request, or in the event of his death to his properly designated beneficiary if the member does not obtain for service performed six (6) months current service credit in either the Kentucky employes retirement system, county employes retirement system, state police retirement system, teachers' retirement system, judicial retirement system, or as an employe of a parted employer.

(7) *Any employe of a county participating in the county employes' retirement system, or any employe of a department participating in the Kentucky employes' retirement system, who has obtained for service performed six (6) months current service credit in either retirement system, who formerly worked for a state university in a position which would have qualified as a regular full-time position had the university been a participating department, and who did not have the option to be covered at the university by an advance funded retirement program in which he could vest during his period of employment, or did not participate in a retirement system which can be consolidated with other accounts pursuant to KRS 61.680(2), may obtain credit in the county employes' retirement system or the Kentucky employes' retirement system for prior and current service by paying either retirement system a delayed contribution payment for the service he would have received had his period of university employment been covered by the county employes' or Kentucky employes' retirement system.*

(8) (a) Effective July 1, 1973, any county participating in the county employes retirement system may purchase current service, between July 1, 1958 and participation date of the county, for present employes of the county who were employes on the participation date of the county and elected coverage under KRS 78.540(2).

(b) Effective July 1, 1973, any department participating in the Kentucky employes retirement system may purchase current service between July 1, 1956 and participation date of the department, for present employes of the department who were employes on the participation date of the department and elected coverage under KRS 61.525(2).

(c) Cost of the service credit purchased under this subsection shall be determined by computing the discounted value of the additional service credit based on an actuarial formula recommended by the board's consulting actuary and approved by the board. A department shall make payment for such service credit within the same fiscal year in which the option is elected. The county shall establish a payment schedule subject to approval by the board for payment of such service credit. The maximum period allowed in a payment schedule shall be ten (10) years with interest at the rate actuarially assumed by the board; however, a shorter period is desirable and the board may approve any schedule provided it is not longer than a ten (10) year period.

(d) If a county or department elects the provisions of this subsection any present employe who would be eligible to receive service credit under the provisions of this subsection and has purchased service credit under subsections (4) or (5) of this section shall have his payment for such service credit refunded with interest at the rate paid under KRS 61.575 or KRS 78.640.

(e) Any payments made by a county or department under this subsection shall be deposited to the retirement allowance account of the proper retirement system and these funds shall not be considered accumulated contributions of the individual members.

(9)[(8)] Interest paid by a member of the Kentucky employes retirement system, county employes retirement system, or state police retirement system under this section or other similar statutes under KRS 16.505 to 16.652 or 61.510 to 61.692 or 78.510 to 78.852 prior to June 19, 1976 shall be credited to the individual member's contribution account in the appropriate retirement system and considered as accumulated contributions of the member.

SB 297, AN ACT relating to sick pay.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 61.420 is amended to read as follows:

For the purpose of KRS 61.410 to 61.500:

(1) "Wages" means all remuneration for employment as defined herein, including the cash value of all remuneration paid in any medium other than cash, except that such term shall not include that part of such remuneration which, even if it were for "employment" within the meaning of federal insurance contributions acts, would not constitute "wages" within the meaning of that act;

(2) "Employment" means any service performed by an employe in the employ of the commonwealth, a political subdivision, or an interstate instrumentality, for such employers, except (a) service of an emergency nature, (b) service which in the absence of an agreement entered into under KRS 61.410 to 61.500 would constitute "employment" as defined in the social security act, or (c) service which under the social security act may not be included in any agreement between the commonwealth and the secretary entered into under KRS 61.410 to 61.500; Provided, however, That service, the compensation for which is on a fee basis, may be excluded in any plan approved under KRS 61.410 to 61.500, and provided also, that service in any class or classes of positions, the exclusion of which is permitted under the social security act, may be excluded in any plan approved under KRS 61.460;

(3) "Employe" means any person in the service of the commonwealth, a political subdivision or an interstate instrumentality of which the commonwealth is a principal and shall include all persons designated officers including those which are elected and those which are appointed;

(4) "State agency" means the Department for Human Resources;

(5) "Political subdivision," in addition to counties, municipal corporations and school districts, includes instrumentalities of the commonwealth, of one or more of its political subdivisions or of the commonwealth and one or more of its political subdivisions, and any other governmental unit thereof;

(6) "Social security act" means the act of congress approved August 14, 1935, chapter 531, 49 Stat. 620, officially cited as the "social security act," including regulations and requirements issued pursuant thereto, as such act has been and may from time to time be amended;

(7) "Federal insurance contributions act" means subchapter A of chapter 9 of the federal internal revenue code and all amendments thereto;

(8) "Secretary" means the secretary of health, education and welfare and includes any individual to whom the secretary may delegate any of his functions under the social security act; and, with respect to any transactions regarding insurance coverage occurring prior to April 11, 1953, includes the federal security administrator and any individual to whom he may have delegated any of his functions under the social security act;

(9) "Insurance coverage" means coverage by the old-age, survivors and disability insurance provisions of the social security act.

(10) "Sick pay" means any payment made on account of sickness or accident disability of the type outlined in Section 209 (b) or (d) of the social security act.

Section 2. KRS 61.460 is amended to read as follows:

(1) Each political subdivision of the state is hereby authorized to submit for approval by the state agency a plan for extending insurance coverage to employes of such political subdivision; Provided, however, That no such plan shall provide insurance coverage to an employe occupying a position to which KRS 161.220

to 161.710 are applicable except for employes of the state colleges and public junior colleges. Each such plan and any amendments thereof shall be approved by the state agency if it finds that such plan, or such plan as amended, is in conformity with such requirements as are provided in regulations of the state agency, except that no such plan shall be approved unless:

(a) It is in conformity with the requirements of the social security act and with the agreement entered into under KRS 61.430;

(b) It provides that all services which constitute employment and are performed in the employ of the political subdivision by employes thereof, shall be covered by the plan;

(c) It specifies the source or sources from which the funds necessary to make the payments required by paragraph (a) of subsection (3) and by subsection (4) of this section are expected to be derived and contains reasonable assurance that such sources will be adequate for such purpose;

(d) It provides for such methods of administration of the plan by the political subdivision as are found by the state agency to be necessary for the proper and efficient administration thereof;

(e) It provides that the political subdivision will make such reports, in such form and containing such information, as the state agency may from time to time require, and will comply with such provisions as the state agency or the secretary may from time to time find necessary to assure the correctness and verification of such reports; and

(f) It authorizes the state agency to terminate the plan in its entirety, in the discretion of the state agency, if it finds that there has been failure to comply substantially with any provision contained in such plan, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the state agency and as may be consistent with the provisions of the social security act.

(2) The state agency shall not finally refuse to approve a plan submitted by a political subdivision under subsection (1) of this section, and shall not terminate an approved plan, without reasonable notice and opportunity for hearing to the political subdivision affected thereby.

(3) (a) Each political subdivision for which a plan has been approved under this section is authorized to and shall pay into the contribution fund, with respect to wages, at such time or times as the state agency may by regulation prescribe, contributions in the amounts and at the rates specified in the applicable agreement entered into by the state agency under KRS 61.430; and, furthermore, in anticipation of the due date of any payments of contributions required herein, is authorized to and shall make such advancements as the state agency, by regulation or contract, may require.

(b) Each political subdivision is authorized to and shall make such payments as are determined by the state agency to be necessary for the purpose of defraying the expenses incurred by the state agency in administering KRS 61.410 to 61.500 for the benefit of those employes covered under any plan approved under subsection (1) of this section, but in no event shall such amount be greater than five per cent (5%) of the contributions required under paragraph (a) of this subsection. Such payments shall be made into the state treasury and shall be credited to a separate trust and agency fund to be used by the state agency solely for the purpose stated herein.

(c) Each political subdivision required to make payments under paragraph (a) of this subsection is authorized, in consideration of the employe's retention in, or entry upon, employment after the effective date of KRS 61.410 to 61.500, to impose upon each of its employes, as to services which are covered by an approved plan, a contribution with respect to wages received for each calendar year, at the rate established by the federal insurance contributions act, as amended, and the social security act, as amended. Contributions so collected shall be paid into the contribution fund in partial discharge of the liability of such political subdivision under paragraph (a) of this subsection. Failure to deduct such contribution shall not relieve the employer of liability therefor.

(4) Delinquent payments due under paragraph (a) of subsection (3) of this section, with interest at the rate of six per cent (6%) per year, may be recovered by action in the Franklin Circuit Court against the political subdivision liable therefor or may, at the request of the state agency, be deducted from any other moneys payable to such subdivision by any department or agency of the state.

(5) Each political subdivision may exclude sick pay from wages if such payments are made under a plan or system and if such plan or system is approved by the state agency for social security. This subsection shall authorize a political subdivision to establish a plan or system as required under Section 209 (b) of the social security act.

The Committee Amendment No. 1 to **SB 297** is as follows:

Amend printed copy of Senate Bill 297 on page 3, line 13, by inserting after the word "*sick*" the words "*leave with*" and by inserting after the word "*made*" the words "*in lieu of salary*"; and

on lines 14 and 15, by deleting the words "*of the type outline in Section 209(b) or (d) of the social security act*"; and on page 7, line 12, by inserting after the word "*sick*" the words "*leave with*"; and

on page 14, by deleting the words "*and if such plan or system is*"; and

on lines 15 through 18, by deleting the words "*This subsection shall authorize a political subdivision to establish a plan or system as required under Section 209(b) of the social security act*" and by inserting in lieu thereof the words "*Any such plan or system shall conform to the social security act and to any regulations promulgated thereunder*".

SB 376, AN ACT relating to state government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 11.065 is amended to read as follows:

(1) The heads of the [executive] department *of* [for] finance [and administration], department for human resources, department of justice, department for natural resources and environmental protection, department of transportation, cabinet for education and the arts, cabinet for development, department of energy, cabinet for public protection and regulation, *and the lieutenant governor* shall constitute the governor's executive cabinet. There shall be a *vice-chairman* [secretary] appointed by the governor who shall serve *in an advisory capacity to* [as the chief executive and administrative officer of] the executive cabinet. The governor shall be the chairman and the secretary of the [executive] department *of* [for] finance [and administration] shall be *a second* vice-chairman of the executive cabinet.

(2) The cabinet shall meet not less than once every two (2) months and at other times on call of the governor [or the secretary of the cabinet]. The executive cabinet shall be a part of the office of the governor and shall not constitute a separate department or agency of the state. Members of the cabinet shall be the major assistants to the governor in the administration of the state government and shall assist the governor in the proper operation of his office and perform such other duties as the governor may require of them.

(3) The cabinet shall consider such matters involving policies and procedures as the governor or any member may place before it. The cabinet shall advise and consult with the governor on all matters affecting the welfare of the state.

Section 2. KRS 12.020 is amended to read as follows:

Departments, program cabinets (and their departments) and the respective major administrative bodies that they include are enumerated in this section. It is not intended that this enumeration of administrative bodies be all-inclusive. Every authority, board, bureau, interstate compact, commission, committee, conference, council, office or any other form of organization shall be included in or attached to the department or program cabinet in which they are included or to which they are attached by statute or executive order, *provided, however, that where the attached department or administrative body is headed by a constitutionally elected officer such attachment shall be solely for the purpose of dissemination of information and coordination of activities and shall not include any authority over the functions, personnel, funds, equipment, facilities, or records of such department or administrative body.*

I. Departments headed by elected officers:

1. The governor.
2. Lieutenant governor.
3. Department of state.
(a) Board of elections.
4. Department of law.
(a) Consumers advisory council.
(b) Travel assistance board.
5. Department of the treasury.
6. Department of agriculture.
(a) State board of agriculture.
(b) Milk marketing and antimonopoly commission.
7. Department of education.
(a) Superintendent of public instruction.
(b) State board for elementary and secondary education.
(c) The department for elementary and secondary education.
(d) State board for occupational education.
(e) The department for occupational education.

(f) State textbook commission.
8. Auditor of public accounts.
9. Railroad commission.
II. Cabinet departments headed by appointed officers:
1. [executive] Department *of* [for] finance [and administration].
(a) State property and buildings commission.
(b) Turnpike authority of Kentucky.
(c) Capital plaza authority.
(d) Kentucky pollution abatement authority.
(e) Kentucky health and geriatric authority.
(f) Kentucky savings bond authority.
(g) Spindletop foundation.
(h) Kentucky public employes deferred compensation system.
2. Department of transportation.
(a) Railroad commission.
(b) Motor vehicle dealers board.
3. Department for natural resources and environmental protection.
(a) Environmental quality commission.
(b) Soil and water conservation commission.
(c) Ohio river sanitation commission.
4. Department of justice.
(a) Kentucky crime commission.
(b) Parole board.
(c) Kentucky law enforcement council.
(d) Commission on corrections and community service.
(e) State police personnel board.
5. Department for human resources.
(a) Citizens commission for human resources.
(b) Advisory council for medical assistance.
(c) Unemployment insurance commission.
(d) Certificate of need and licensure board.
(e) Generic formulary council.
(f) Kentucky cancer commission.
(g) Statewide health coordinating council.
6. Department of energy.
(a) Bureau of energy research.
(b) Bureau of energy management.
(c) Advisory council for energy and natural resources.
(d) Energy research board.
(e) Kentucky geological survey.
Cabinet for Development
Department of agriculture (headed by elected officer).
7.[6.] Department of commerce.
(a) Kentucky industrial development finance authority.
8.[7.] Department of fish and wildlife resources.
(a) Fish and wildlife resources commission.
9.[8.] Department of parks.
(a) Breaks interstate park commission.
[9. Department of energy.
(a) Energy resources advisory commission.]
10. Kentucky historical events celebration commission.
11. State fair board.
12. [Kentucky geological survey.
13.] Economic development commission.
13.[14.] The governor's council on agriculture.
14. Kentucky film commission.
15. Department for local government.
16. State horse park board.
17. Office for program administration.
18. Kentucky urban development office.
19. Kentucky tobacco research board.

[15. The farmers advocate's office.]
Cabinet for education and the arts.
20.[16.] Kentucky arts commission.
21.[17.] Bureau for the blind.
[18. Kentucky council of economic advisers.]
Department of education (headed by elected officer).
22.[19.] Kentucky authority for educational television.
23.[20.] Kentucky heritage commission.
24.[21.] Kentucky historical society.
25.[22.] Department of library and archives.
(a) State archives and records commission.
(b) State board for certification of librarians.
26.[23.] Advisory council for vocational education and manpower development and training.
Cabinet for public protection and regulation.
27.[24.] Department for alcoholic beverage control.
(a) Alcoholic beverage control board.
28.[25.] Department of banking and securities.
29.[26.] Department of insurance.
(a) Custodian of insurance securities.
30.[27.] Department of labor.
(a) Workmen's compensation board.
(b) Occupational safety and health standards board.
(c) State labor relations board.
31.[28.] Department of mines and minerals.
32.[29.] Kentucky registry of election finance.
33.[30.] Energy regulatory commission and utility regulatory commission.
34.[31.] Kentucky quarterhorse and appaloosa commission.
35.[32.] Kentucky state racing commission.
36.[33.] Kentucky harness racing commission.
37.[34.] Kentucky board of tax appeals.
38.[35.] Department of housing, buildings and construction.
(a) Kentucky housing corporation.
39. Board of claims.
40. Crime victims compensation board.
III. Other departments headed by appointed officers:
1. Department of military affairs.
2. Department of personnel.
(a) Personnel board.
3. Department of public information.
4. Department of revenue.
5. Human rights commission.
6. Council on higher education.
7. Teachers' retirement system.
8. Kentucky employees' retirement system.
9. Commission on women.
[10. Kentucky tobacco research board.
11. Kentucky center for energy research.
12. Department for local government.
(a) Council for land use planning.
(b) County debt commission.
(c) Municipal statutes revision commission.
(d) County statutes revision commission.
(e) Local government advisory commission.
(f) Kentucky urban affairs council.]

Section 3. KRS 12.023 is amended to read as follows:

(1) The following administrative bodies shall be attached to the office of [the secretary of the cabinet and shall report directly] the governor:

(a) [Governor's judicial advisory council.

(b)] Council on higher education (The state universities and colleges shall report through the council on higher education).

[(c) Kentucky tobacco research board.

(d) Board of claims.

(e) Crime victims compensation board.

(2) The heads of the following departments and administrative bodies shall report to the secretary of the cabinet:]

(b)[(a)] Department of military affairs.

(c)[(b)] Department of personnel.

(d)[(c)] Department of public information.

(e)[(d)] Department of revenue.

(f)[(e)] Human rights commission.

(g)[(f)] Teachers' retirement system.

(h)[(g)] Kentucky employes' retirement system.

(I)[(h)] Commission on women.

[(i) Office for program administration.

(j) Department for local government.]

Section 4. KRS 12.250 is amended to read as follows:

There are established within state government the following program cabinets:

(1) Cabinet for development.

(2) Cabinet for education and arts.

(3) Cabinet for public protection and regulation.

[(4) Department of energy.]

Section 5. KRS 12.265 is amended to read as follows:

The cabinets established in KRS 12.250 shall be composed of departments, boards and commissions as follows:

I. Cabinet for development
A. Department of agriculture
B. Department of commerce
C. Department of fish and wildlife resources
D. Department of parks
E. Kentucky historical events celebration commission
F. State fair board
[G. Office of developmental planning]
G.[H.] Economic development commission
H.[I.] Governor's council on agriculture
I.[J.] *Department for local government* [Farmers advocate's office].
J.[K.] *State horse park board* [Council of economic advisors].
K. Office for program administration.
L. Urban Development Office.
M. Kentucky tobacco research board.
II. Cabinet for education and the arts
A. Kentucky arts commission
B. Department of education
C. The Kentucky authority for educational television
D. Kentucky heritage commission
E. Kentucky historical society
F. Department of library and archives
G. Bureau for the blind.
III. Cabinet for public protection and regulation
A. Department of alcoholic beverage control
B. Department of banking and securities
C. Department of insurance
D. Department of labor
E. Department of mines and minerals
F. Kentucky registry of election finance
G. Energy regulatory commission and utility regulatory commission
H. Kentucky quarterhorse and appaloosa commission
I. Kentucky state racing commission
J. Kentucky harness racing commission
K. Kentucky board of tax appeals
L. Department of housing, buildings and construction.
M. Board of claims.
N. Crime victims compensation board.

[IV. Department of energy
A. Bureau of energy research
B. Bureau of production and distribution.]

Section 6. KRS 12.267 is amended to read as follows:

There is hereby created within the *department for local government* [cabinet for development] an office of developmental planning, which shall be headed by an executive director appointed by the *commissioner* [secretary] *of the department for local government* pursuant to KRS 12.050. The office shall provide the primary support for the development, evaluation, and measurement of overall objectives, policies, and programs relating to economic and community development, and it shall be a broad scope research unit capable of dealing with any phase of economic development.

Section 7. KRS 15A.070 is amended to read as follows:

(1) The bureau of training shall establish, supervise and coordinate training programs and schools for law enforcement personnel, correction personnel, [court personnel] and any other justice or non-law enforcement related personnel as prescribed by the secretary.

(2) The bureau of training shall make a continuing study of law enforcement training standards and upon request may furnish information relating to standards for recruitment, employment, promotion, organization, management and operation of any law enforcement agency in Kentucky.

(3) The bureau of training shall conduct continuing research on criminal law and criminal justice subjects related to law enforcement training.

SECTION 8. A NEW SECTION OF KRS CHAPTER 16 IS CREATED TO READ AS FOLLOWS:

In addition to the performance of all duties relating to the Kentucky state police, the bureau of state police shall perform the following functions:

(1) Security of state facilities located in Frankfort;

(2) Highway enforcement;

(3) Water safety enforcement as provided in KRS Chapter 235; and

(4) Security of state parks and property of the department of parks as provided in KRS 148.056.

SECTION 9. A NEW SECTION OF KRS CHAPTER 31 IS CREATED TO READ AS FOLLOWS:

(1) There shall be an advisory board for the protection and advocacy division of the office for public advocacy comprised of not more than seventeen (17) citizen members appointed for a term of two (2) years by the public advocate. The board members shall be either developmentally disabled themselves or parents or representatives of persons who are developmentally disabled.

(2) The advisory board shall meet at least quarterly and on other occasions as may be necessary upon the call of the public advocate.

(3) The members of the advisory board shall receive no compensation for their services, but shall be reimbursed for all expenses incurred through the performance of their duties as members of the advisory board. No member of the board shall be held to be a public officer by reason of his membership on the board.

SECTION 10. A NEW SECTION OF KRS CHAPTER 31 IS CREATED TO READ AS FOLLOWS:

The public advocate may purchase liability insurance for the protection of all full-time public advocates to protect them from liability for malpractice arising in the course or scope of employment.

Section 11. KRS 41.380 is amended to read as follows:

(1) There shall be a state investment commission composed of the governor, the state treasurer, *the secretary of the development cabinet,* and the secretary of the [executive] department *of* [for] finance [and administration]. The commission shall have authority to and may invest any and all surplus funds of the state in direct obligations of the United States government, or of the Commonwealth of Kentucky. All such investments shall be obligations that will mature within five (5) years from the date of investment.

(2) The commission shall also have authority and may, whenever in its opinion the cash in the state treasury is in excess of the amount required to meet current expenditures, invest any and all of said excess cash in United States treasury bills or certificates of indebtedness or any other United States government security which will mature within one (1) year from the date of investment.

(3) Interest earned from investments made pursuant to this section shall accrue to the credit of the general expenditure fund, except that interest from investments of excess cash in the road fund shall be credited to the road fund and interest earned from the investment of funds accumulated solely by means of contributions and gifts shall not be diverted to any purpose other than that stipulated by the donor, when such donor shall have designated the use to which such interest shall be placed.

(4) The authority granted by this section to the state investment commission shall not extend to any funds that are specifically provided by law to be invested by some other officer or agency of the state government.

Section 12. KRS 42.011 is amended to read as follows:

There is established a department of state government to be known as the [executive] department *of* [for] finance [and administration] (hereinafter referred to in KRS chapter 42 as the "department"). The department shall be headed by the secretary of the [executive] department *of* [for] finance [and administration] (hereinafter referred to in KRS chapter 42 as the "secretary"), which office is hereby created. The secretary shall be appointed by the governor [and shall in addition be ex officio the secretary of the cabinet, which office is hereby created]. The secretary shall be bonded as required by KRS 62.160 in the minimum amount of one hundred thousand dollars ($100,000).

Section 13. KRS 42.016 is amended to read as follows:

The following corporate bodies and instrumentalities of the Commonwealth shall be attached to the office of the secretary for administrative purposes and staff services:

(1) State planning committee;
(2) Kentucky health and geriatric authority;
(3) Turnpike authority of Kentucky;
(4) State property and buildings commission;
(5) Kentucky housing corporation;
(6) Kentucky pollution abatement authority;
(7) Capital plaza authority;
(8) Kentucky savings bond authority;
(9) County officials compensation board;
(10) Kentucky public employes deferred compensation board;
(11) Governor's design advisory council.

SECTION 14. KRS 42.021 IS AMENDED TO READ AS FOLLOWS AND REENACTED AS A NEW SECTION OF KRS CHAPTER 147A:

(1) There is hereby established the governor's advisory council to the office of volunteer services inside the department *for local government*. The council shall advise the governor and the department on the need for and improvement of volunteer services throughout the Commonwealth.

(2) The council shall consist of ten (10) members appointed by the governor, who may designate one (1) member as chairman. Following the initial appointments, terms shall be for a period of three (3) years. Members shall receive twenty-five dollars ($25) per diem and necessary expenses for performance of their duties.

Section 15. KRS 42.028 is amended to read as follows:

(1) The bureau of public properties established in the [executive] department *of* [for] finance [and administration] by KRS 42.014 shall be responsible for the administration and performance of the department's functions and duties under KRS Chapters 45 and 56, in the areas of acquiring real property and interests in real property needed for use by state agencies; the disposition of real and personal property no longer needed for use by the state; the formulation of preventive maintenance programs for state agencies and institutions and mechanical and building maintenance programs; space utilization and allocation; property inventories, housekeeping, landscaping, routine maintenance [and security] of state facilities located in Frankfort, and such other functions and duties relative to the management and control of the state's real property as may be assigned by the secretary.

(2) There shall be included in the bureau a deputy commissioner who shall be appointed by the secretary, subject to the approval of the governor, and who shall be responsible to the commissioner of the bureau and shall under the commissioner's supervision perform such duties as may be assigned or delegated by the commissioner.

(3) The bureau shall be divided for administrative purposes into a division of real properties, a division of property management and a division of physical plant, each of which shall be headed by a director appointed by the secretary, subject to the approval of the governor, and each of whom shall be responsible and report to the commissioner of the bureau. The commissioner shall provide for the distribution of the bureau's work among the divisions within the bureau.

Section 16. KRS 56.450 is amended to read as follows:

(1) There is recognized, as an independent agency of the state within the meaning of KRS chapter 12, and as a constituted authority of the Commonwealth of Kentucky, a state and a sovereign entity within the meaning of regulations of the United States department of the treasury, internal revenue service, a state property and buildings commission composed of the governor, who shall be chairman thereof, the lieutenant governor, the attorney general, *the secretary of the development cabinet*, the secretary of the [executive] department *of* [for] finance [and administration] and the commissioner of revenue, or their alternates as authorized and permitted in subsection (5) of this section.

(2) No member of the commission shall receive any salary, fee or other remuneration for his services as a member of the commission but each member shall be entitled to be reimbursed for his ordinary traveling expenses, including meals and lodging, incurred in the performance of his duties.

(3) The commission constitutes a public body corporate with perpetual succession and power in its name to contract and be contracted with, sue and be sued, adopt bylaws, have and use a corporate seal, and exercise all of the powers granted to private corporations generally in KRS chapter 271A, except as the same may be inconsistent with KRS 56.440 to 56.550.

(4) Subject to the provisions of KRS 56.550, but notwithstanding any other provision of the Kentucky Revised Statutes to the contrary, all revenue bonds issued by state agencies except as provided in this chapter (but not including bonds issued directly by and in the name of the Commonwealth of Kentucky under authorization of the executive cabinet), shall be issued under the provisions of this chapter; provided further, that as an additional and alternative method for the issuance of revenue bonds under the provisions of this chapter, upon application of any state agency and approval by the commission, the commission acting for and on behalf of said state agency may issue revenue bonds in its own name in accordance with the terms and provisions of KRS chapter 58 secured by and payable solely from all or any part of the revenues of said state agency as may be specified and provided in such approved application, and any covenants and undertakings of said state agency in such approved application with regard to the production of such revenues and the use, application or disposition thereof may be enforced by the holders of any such revenue bonds or by any trustee for such bondholders. In issuing bonds under its own name, or in approving issuance of bonds by other state agencies, the commission shall be deemed to be acting for the state government of the Commonwealth of Kentucky as one unit within the meaning of the regulations of the United States department of the treasury, internal revenue service, and it shall be limited to the issuance of bonds to accomplish the public purposes of that unit.

(5) (a) Each member of the commission is hereby authorized and empowered to designate by an instrument in writing over his signature and filed with the secretary as a public record of the commission, an alternate with full authority to attend in the absence of the appointing member for any reason, any properly convened meeting of the commission and to participate in the consideration of, and voting upon, business and transactions of the commission. Any such designation of an alternate may, in the discretion of the appointing member, be limited upon the face of the appointing instrument, to be effective only for a designated meeting or only for specified business; or the same may be shown on the face of the appointing instrument to be on a continuing basis (but in no case for a period of more than four years), whenever the appointing member is unable to attend, but always subject to revocation by the appointing member in an instrument of like formality, similarly filed with the secretary as a public record of the commission. Any party transacting business with the commission, or materially affected thereby, shall be entitled to accept and rely upon a joint certificate of the secretary of the commission and any member of the commission concerning the designation of any alternate, the time of designation, the scope thereof, and if of a continuing nature whether the same has been revoked, and when; and such joint certificate shall be made and delivered to any such party within a reasonable time after written request is made therefor with acceptable identification of the business or transaction referred, and of the requesting party's interest therein. Each alternate shall be a person on the staff of the appointing member, or in the employ of his agency or department of the government of the Commonwealth, as the case may be.

(b) Any *four (4)* [three (3)] members of the commission shall constitute a quorum and shall by majority vote be authorized to transact any and all business of the commission. One (1) alternate may be substituted for a member in order to establish a quorum, provided that no business is transacted beyond the scope of authority of such alternate.

(c) The state property and buildings commission is reconstituted as of October 1, 1976, with the powers herein provided.

Section 17. KRS 147.072 is amended to read as follows:

(1) There is established an office for program administration under and attached to the *cabinet for development* [office of the secretary of the cabinet].

(2) The office shall be headed by a director, [who shall be an executive assistant to the governor,] program administration. The director may appoint and employ, with the concurrence of the secretary of the *development* cabinet, such assistants and other personnel as the director deems necessary to carry out and perform the functions vested in the office for program administration.

(3) The office for program administration shall assist the secretary [of the cabinet] in carrying out his functions and duties pertaining to the overseeing of the [executive] cabinet and those agencies directly under the secretary. It shall assist in the coordination of activities of state government for their effective and efficient administration.

(4) The office shall assist the [governor and] secretary of the cabinet *for development* in the monitoring of programs as well as assist the secretary of the *development* cabinet in his role as vice chairman of the state planning committee.

Section 18. KRS 147.075 is amended to read as follows:

As used in KRS 147.070 to 147.120 the term "governor's cabinet" shall mean the "governor's executive cabinet" and such other persons as the governor may designate to compose the membership of the "state planning committee." The governor shall serve as chairman of the state planning committee, the secretary of the *development* cabinet shall serve as vice chairman, and the director of the office for policy and management shall serve as secretary.

SECTION 19. A NEW SECTION OF KRS CHAPTER 147A IS CREATED TO READS AS FOLLOWS:

The following administrative bodies shall be attached to the department for local government for administrative purposes:

(1) Council for land use planning;
(2) County debt commission;
(3) Municipal statutes revision commission;
(4) County statutes revision commission;
(5) Local government advisory commission;
(6) Kentucky urban affairs office;
(7) Appalachian development council; and
(8) Office of developmental planning.

SECTION 20. A NEW SECTION OF KRS CHAPTER 147A IS CREATED TO READ AS FOLLOWS:

(1) The department for local government is authorized and directed to apply for and receive federal funds to be placed in a state account called the gas system restoration project account, and to provide staff to administer said funds.

(2) A gas system restoration project account review board is established, and shall consist of seven (7) members appointed by the governor, and including representatives of the energy regulatory commission, state fire marshal's office, department for local government, banking and finance industry, commercial or industrial consumers, Kentucky gas association, and low income or minority group consumers. Members shall be reimbursed for necessary expenses in attending meetings.

(3) The review board shall meet monthly, and shall establish rules for conducting its business. The review board shall consider applications for loans from the account, and approve or disapprove loan applications. No loan shall be considered unless the applicant has complied with all construction and securities requirements of the energy regulatory commission. In reviewing loan applications, the review board may request the testimony of the county judge/executive of an affected county, and any other witnesses deemed appropriate.

Section 21. KRS 147B.015 is amended to read as follows:

The council shall consist of the dean of the college of business and economics of the University of Kentucky, or his designee as approved by the governor, who shall be an ex officio member of the council and serve as its chairman, *the secretary of development, or his designee, who shall be an ex officio member,* and four (4) other members appointed by the governor who shall be persons knowledgeable by reason of experience or academic training in the fields of business, finance and economics. The terms of the members initially appointed shall be as follows: (1) one member who shall serve until January 1, 1973; (2) one member who shall serve until January 1, 1974; (3) one member who shall serve until January 1, 1975; (4) one member who shall serve until January 1, 1976; thereafter all such appointments shall be for four-year terms and until their successors are appointed. Vacancies in the appointed membership of the council shall be filled for the unexpired portion of the vacated member's term.

Section 22. KRS 147B.030 is amended to read as follows:

The office for research, college of business and economics of the University of Kentucky shall, with the cooperation of other institutions and agencies, conduct the basic studies necessary to fulfill the duties and responsibilities of the council. The dean of the college of business and economics, upon recommendation of the chairman of the council, shall designate an executive director of the council. The council *shall be attached to the University of Kentucky* [may, subject to the approval and directions of the secretary of the development cabinet, be attached for administrative purposes to said office].

Section 23. KRS 148.056 is amended to read as follows:

(1) The commissioner of *the bureau of state police* [parks], in his discretion, may employ and commission park rangers as the commissioner deems necessary to secure the parks and property of the department *of parks* and to maintain law and order and such employes, when so commissioned, shall have all of the powers of peace officers and shall have *on all parks property and on public highways transversing such property* in all parts of the state the same powers with respect to criminal matters and enforcement of the laws relating thereto as sheriffs, constables and police officers in their respective jurisdictions, and shall possess all the immunities and matters of defense now available or hereafter made available to sheriffs, constables and police officers in any suit brought against them in consequence of acts done in the course of their employment. The powers and duties of park rangers referred to in this section shall, within the limits of any incorporated city of the first to the fifth class inclusive, be subject to and limited by KRS 16.120 in the same manner as those of an officer of the state police.

(2) The designation of any such employe as a peace officer shall be governed by the provisions of KRS 61.300 except that he shall not be required to have resided in the county wherein he is to serve for a period of at least two years, and he shall be required to file his photograph and affidavit only with the Franklin County Clerk.

(3) Any employe so commissioned shall be required to execute bond, subject to the provisions of KRS 62.170, for the faithful and lawful performance of his duties.

(4) Peace officers commissioned as provided herein may be assigned additional duties at locations other than park properties for specified limits of time during an emergency or time of special need as determined by the commissioner in his discretion.

Section 24. KRS 148.260 is amended to read as follows:

(1) The state horse park board is hereby established and shall be composed of *nineteen (19)* [sixteen (16)] members, as follows:

(a) The commissioner of parks;

(b) The commissioner of tourism; and

(c) *Seventeen (17)* [Fourteen (14)] members appointed by the governor [on or before December 1, 1979,] of whom *ten (10)* [seven (7)] shall be appointed with due consideration to geographical distribution throughout the state, and seven (7) members who shall be selected, one each, from a list of three (3) submitted by the governing bodies of each of the following organizations:

(i) Thoroughbred breeders of Kentucky;

(ii) Kentucky quarter horse association;

(iii) American standardbred breeders association of Kentucky;

(iv) American saddle horse breeders association;

(v) Kentucky walking horse association;

(vi) Kentucky Horse Council; and

(vii) Appaloosa Horse Clubs of Kentucky.

(2) The terms of appointed members of the board shall be for four (4) years, and until such time as their successors shall be appointed, except with respect to the first board whose appointments shall be as follows:

(a) Four (4) members shall serve for terms of two (2) years from the date of their appointment;

(b) Five (5) members shall serve for terms of three (3) years from the date of their appointment; and

(c) Five (5) members shall serve for terms of four (4) years from the date of their appointment.

(d) Three (3) members shall serve for terms of four (4) years from the date of their appointment.

(3) Of the *ten (10)* [seven (7)] geographically appointed members, the governor shall make appointments so as to assure representation as nearly equal as possible from each of the two (2) political parties polling the largest number of votes in statewide elections.

(4) The governor shall appoint the first board chairman, after which the state horse park board shall elect annually from among its appointed membership a chairman. A quorum of the board shall consist of *ten (10)* [nine (9)] members, and a majority of members present at any meeting of the board may act for it upon any matter legally before the body.

(5) The members of the board shall be allowed their necessary expenses incurred in attending meetings and performance of their official duties, and shall be allowed sixty-five dollars ($65) per diem for attending meetings.

(6) Appointed members of the state horse park board may be removed by the governor only for cause after being given a copy of charges against them and an opportunity to be heard publicly, with the advice of counsel, on such charges against them before the governor and a finding of fact by the governor. A copy of the charges and transcript of the record of the hearings and findings of fact shall be filed with the secretary of state.

(7) In the event of a vacancy among geographically appointed membership of the board, the governor shall fill the unexpired terms so as to maintain both geographical and political balance as required in subsection (3) of this section.

Section 25. KRS 152.020 is amended to read as follows:

(1) There is hereby created an agency of the state government to be known as the department of commerce, which shall constitute a department of the state government within the meaning of KRS chapter 12. The department shall consist of a commissioner and such administrative bodies and employes as are provided by law.

(2) The department, subject to the provisions of KRS 12.010 to 12.141, shall be organized into a division devoted to industrial development, a division devoted to *marketing development* [agribusiness], a division devoted to research and planning, a division devoted to *community and industrial services* [existing industries], a division devoted to development of *small and* minority business enterprise, a division devoted to international trade and reverse investment, [a division devoted to tourism development] and such other

divisions and sections as are from time to time deemed necessary for the proper and efficient operation of the department.

(3) The executive officer of the department shall be the commissioner of the department of commerce. The commissioner shall be appointed by the governor and shall serve at the pleasure of the governor. The commissioner shall have general supervision and direction over all activities and functions of the department and its employes, and shall be responsible for carrying out the programs and policies of the department. The commissioner shall be the chief executive officer of the department and, as such, shall have authority to enter into contracts, subject to the approval of the secretary of the development cabinet and the secretary of the [executive] department *of* [for] finance [and administration], when such contracts are deemed necessary to implement and carry out the program of the department.

Section 26. KRS 152.050 is amended to read as follows:

There is hereby created in the development cabinet an economic development commission composed of not more than *twenty-eight (28)* [twenty-two (22)] members. The commissioner of agriculture, the secretary of the development cabinet, *the secretary of energy,* [and] the commissioners of the departments of labor and commerce, *the chairman of the council of economic advisers, and a representative of the general assembly selected by the governor* shall serve, ex officio. The other *twenty-one (21)* [eighteen (18)] members shall be appointed by the governor for terms of one (1) year. The governor shall designate one (1) of the members to serve as chairman, and the commissioner of commerce shall act as secretary. *There shall be an executive director appointed by the secretary of development pursuant to KRS 12.050. The executive director is authorized to employ necessary personnel to perform the commission's duties.* The commission shall serve in an advisory capacity to the Commonwealth in the planning and development of its total program for economic development. The cost of administrative facilities and services for the commission shall be paid by the cabinet for development.

Section 27. KRS 152.055 is amended to read as follows:

The *department for local government* [secretary for development] shall have responsibility for the administration and coordination of Appalachian Regional Development programs and Economic Development Administration programs.

Section 28. KRS 152.060 is amended to read as follows:

(1) The department shall assemble and keep in the offices of the department such information relating to natural resources, industrial sites, labor supply, water, fuel, power, wage rates, taxation and assessments, transportation and communication facilities and such other information as may be useful in executing the provisions of KRS 152.010 to 152.080. Such information shall be made available to any enterprise which, in the discretion of the commissioner, is legitimate and which contemplates location or operation within the Commonwealth. Such information shall, in the discretion of the commissioner, be made available to any governmental or private agency interested in securing the location or operation of any such legitimate enterprise within the Commonwealth.

(2) The department shall obtain from enterprises interested in locating and operating within the Commonwealth information relating to the nature of the enterprise, its financial responsibility, manpower requirements, probable consumption of raw materials and such other information as may be useful in securing the location of such enterprise in the Commonwealth.

(3) The department shall be the primary industrial and commercial development agency of the Commonwealth of Kentucky in matters relating to the private sector of the state's economy. The department shall carry out programs relating to industrial and commercial development, research and planning, *community and industrial services, marketing development,* [existing industries, agribusiness,] *small and* minority business enterprise, international trade and reverse investment, [tourism development] and other programs designated by the governor.

Section 29. KRS 152.490 is amended to read as follows:

(1) The Kentucky film commission is created as an agency of state government, and it shall be attached to the *development cabinet* [department of commerce] for administrative and budgetary purposes. The commission shall serve in an advisory capacity to the Commonwealth in the planning and implementation of programs dealing with the film industry.

(2) The commission shall consist of twenty (20) members appointed by the governor, with the *secretary of the cabinet for development and the* [commissioner of the department of commerce as the chairman. The] commissioner of the department of public information *serving* [shall serve] ex officio. The other eighteen (18) members shall be appointed by the governor on the basis of their interest in or relationship to the development of a film industry in Kentucky, one of whom shall be designated as [vice-]chairman. Members shall serve for a term of one (1) year. Members of the commission shall receive twenty-five dollars ($25) per diem and necessary expenses for performance of their duties.

(3) In order to expedite the business of the commission, an executive committee is hereby created consisting of seven (7) members selected by the governor, *who shall also designate its* [with the commissioner of the department of commerce serving as] chairman. This executive committee is empowered to act for the commission in the formulation, direction, and execution of its policies.

(4) Meetings of the commission and of its executive committee shall be called by the chairman. A majority, either of the commission or of the executive committee, shall constitute a quorum for the purpose of doing business.

(5) The chairman of the commission, subject to the prior written approval of the governor, shall appoint an executive director who shall serve as the chief operating officer of the commission. The executive director, subject to the approval of the chairman, shall have the authority to hire personnel, to prescribe their duties, and to fix their compensation within the limitations imposed by law.

(6) The commission shall have all necessary and appropriate powers to carry out these responsibilities:

(a) Establishment of a close working relationship with film industry representatives in this country and abroad, if appropriate;

(b) Coordination of locational activities in Kentucky;

(c) Provision of liaison activities during actual film production;

(d) Performance of all appropriate research and background work related to determination of film industry plans and requirements;

(e) Establishment of an aggressive promotional and informational effort designed to attract producers to Kentucky.

(7) The commission shall have the cooperation and assistance of the department of commerce, the department of public information, and all other state agencies. Such state agencies are authorized to inter-account the commission for goods and services, except that the department of commerce shall provide reasonable access to and use of the department of commerce's west coast office without charge. Similarly the department of public information shall supply photographic services and promotional material for each prospective film location at no cost.

Section 30. KRS 152.590 is amended to read as follows:

The [executive] department for *natural resources and environmental protection* [finance and administration] shall have the following general powers:

(1) To acquire by purchase, exercise of the right of eminent domain, grant, gift, devise or otherwise, the fee simple title to or any acceptable lesser interest in any lands, and by lease or other contract the right to use and occupy any lands, selected in the discretion of the secretary of the [executive] department for *natural resources and environmental protection* [finance and administration] as constituting necessary, desirable or acceptable sites for projects of the [executive] department [for finance and administration], including any and all lands adjacent to a project site as in the discretion of the secretary [of the executive department for finance and administration] may be necessary or suitable for satellite projects or restricted areas; but in all instances lands which are to be designated as radioactive waste material sites shall be acquired in fee simple absolute and dedicated in perpetuity to such purpose;

(2) To convey to private enterprise, or to lease to private enterprise for such term as in the discretion of the secretary of the [executive] department *of* [for] finance [and administration] may be in the public interest, any lands so acquired, either for a fair and reasonable consideration or solely or partly as an inducement to the establishment or location in the Commonwealth of any scientific or technological facility, project, satellite project or nuclear storage area; but subject to such restraints as may be deemed proper to bring about a reversion of title or termination of any lease in the event the grantee or lessee, as the case may be, shall cease to use the premises or facilities in the conduct of business or activities consistent with laws and regulations of the Commonwealth; provided, however, radioactive waste material sites may be leased but may not otherwise be disposed of except to the Commonwealth, or to the United States;

(3) To construct, reconstruct, maintain, repair, operate and regulate projects at such locations within the Commonwealth as may be determined by the secretary [of the executive department for finance and administration];

(4) To fix by contract, or to establish and revise from time to time and charge and collect revenues, rentals, rates and charges for use of the services and facilities of projects;

(5) To combine for financing purposes any two or more projects;

(6) To establish and enforce rules and regulations for the use of any project;

(7) Without reference to KRS chapter 56, to acquire and hold real and personal property in the exercise of its powers and the performance of its functions and duties under this section, and to dispose of the same with due regard for public health and safety, except in the case of radioactive waste material sites, which may be disposed of only to the Commonwealth itself, or to the United States, except as provided in subsection (2);

(8) To designate the locations and establish, limit and control such points of ingress to and egress from each project as the secretary [of the executive department for finance and administration] may determine to be necessary or desirable to insure the proper operation and maintenance of such project, and to prohibit entrance to such project from any point or points not so designated;

(9) To make and enter into such contracts and agreements with governmental agencies and private enterprise as may be necessary or incidental to the performance of its duties and the execution of its powers under this section;

(10) To employ scientists, consulting engineers, health officers, attorneys, accountants, construction and financial experts, superintendents, managers and such other employes and agents as may be necessary in the judgment of the secretary [of the executive department for finance and administration,] and to fix their compensation;

(11) To receive and accept from any governmental agency, or from private enterprise, appropriations, grants or contributions in money, property, labor or other things of value, to be held, used and applied for or in aid of any project;

(12) To do all acts and things necessary or convenient to carry out the powers expressly granted in this section.

Section 31. KRS 152A.030 is amended to read as follows:

There is established within the department a bureau of energy research and a bureau of *energy management* [production and distribution]. Each bureau shall be headed by a commissioner appointed by and directly responsible to the secretary in accordance with KRS 12.050. The commissioners shall perform such functions, powers, duties as provided by law and as the secretary may prescribe.

Section 32. KRS 152A.050 is amended to read as follows:

The advisory council for energy and natural resources shall advise the secretary of energy and the secretary of natural resources and environmental protection on matters of mutual concern and potentially conflicting interest to both departments. The governor shall appoint seven (7) members representing environmental, consumer, energy, industry and other concerns. The term of office for council members shall be four (4) years except on the first council appointed, two (2) members shall be appointed for a term of two (2) years, two (2) for a term of three (3) years, and three (3) for a term of four (4) years. The council shall elect one (1) of its members as chairman, and one (1) of its members as secretary for a term of one (1) year. If a vacancy occurs on the council, the governor shall appoint a replacement for the remainder of the term. *Members of the council shall receive no salary, but shall be reimbursed for expenses incurred in performance of their duties.*

Section 33. KRS 152A.060 is amended to read as follows:

(1) The energy research board shall be attached to the office of the secretary. The energy research board shall consist of *seventeen (17)* [fifteen (15)] members. The term of office for eight (8) members representing the private sector shall be four (4) years, except on the first board appointed, three (3) members shall be appointed for a term of two (2) years, two (2) for a term of three (3) years, and three (3) for a term of four (4) years. In addition to the above, other members of the board shall be the secretary of the development cabinet, the secretary of transportation, the secretary for natural resources and environmental protection, the secretary of the [executive] department *of* [for] finance [and administration], the secretary of the public protection and regulation cabinet, [and] a representative of the Kentucky general assembly as appointed by the governor, *the dean of the college of engineering, university of Kentucky and the dean of speed scientific school of the university of Louisville. The governor shall appoint the eight (8) members representing the private sector.* The secretary of energy or his designee shall serve as the chairman.

(2) The board shall meet at least once each calendar quarter or more often on the call of the chairman, or with the chairman's approval, at the call of the vice chairman.

(3) The board shall be responsible for approving demonstration projects to be supported by the energy development and demonstration trust fund.

(4) The board is authorized to solicit, receive and administer federal or state agency funds in relation to federal or state programs of long-range energy planning research and demonstration projects.

(5) The secretary and the staff of the department shall serve as staff for the board. The board shall also advise the secretary in establishing long-range goals and objectives for the department. Members of the board shall not be otherwise compensated but shall be reimbursed for expenses incurred in connection with the exercise of their duties at the department.

Section 34. KRS 152A.090 is amended to read as follows:

The bureau of energy research shall be headed by a commissioner, appointed by and be directly responsible to the secretary in accordance with KRS 12.050. The bureau of energy research shall be responsible for conducting and coordinating energy related research and development activities in Kentucky concerning coal, other fossil fuels and other organic fuels as well as solar and other renewable energy resources. The bureau shall have the responsibility for encouraging demonstration projects of promising technologies and processes for the direct utilization of coal, as well as for converting coal into environmentally acceptable fuels in liquid, gaseous, and solid forms. The bureau shall have responsibility for providing technical assistance to encourage the commercial application of new energy technologies by industries and others in Kentucky. The bureau of energy research shall have additional responsibility as assigned by the secretary. The bureau of energy research shall consist of the following organizational units which are hereby created:

(1) Division of technical assistance. The division of technical assistance within the bureau of energy research shall be headed by a director, appointed by the secretary upon recommendation from the commissioner. The division of technical assistance shall work with the federal, state and local governmental agencies and private industry in order to facilitate the commercial application of technologies and processes related to energy.

(2) Division of demonstration projects. The division of demonstration projects within the bureau of energy research shall be headed by a director, appointed by the secretary upon recommendation from the commissioner. The division of demonstration projects shall advise the commissioner of the bureau of energy research and the energy research board on all matters relative to the energy research and demonstration trust fund.

(3) Division of technology assessment. The division of technology assessment within the bureau of energy research shall be headed by a director appointed by the secretary upon recommendation of the commissioner. The division shall analyze the economic and technological feasibility of coal conversion processes and other technologies for energy development.

Section 35. KRS 152A.110 is amended to read as follows:

The bureau of energy *management* [production and distribution] shall be headed by a commissioner appointed by and directly responsible to the secretary in accordance with KRS 12.050. The bureau of *energy management* [production and distribution] shall have responsibility for conducting research on the impact of current and future energy supply and demand on the Kentucky economy and perform research on transportation, manpower, materials and other appropriate areas that affect the production of fossil fuels; prepare and maintain a continuous inventory of energy requirements and available supplies and capacities; develop major conservation programs involving all sections of the Kentucky economy and including broad public educational efforts as related to desirable conservation and utilization practices; formulate and update at least annually a contingency plan to cope with any energy shortages which may occur from time to time, and such other functions as delegated by the secretary. The bureau of energy *management* [production and distribution] shall consist of the following organizational units which are hereby created:

(1) Division of conservation. The division of conservation shall be headed by a director appointed by the secretary, upon recommendation from the commissioner. The division of conservation shall have responsibility for conducting energy audits of educational facilities, state-owned buildings, and implementation of the Kentucky state energy conservation plans.

(2) Division of energy production. The division of energy production shall be headed by a director appointed by the secretary, upon recommendation from the commissioner. The division of energy production shall be responsible for implementing a program of energy demand projections and promote the efficient and effective production of energy and energy producing fuels in Kentucky through correlation of appropriate programs of other agencies.

(3) Division of energy distribution. The division of energy distribution shall be headed by a director appointed by the secretary, upon recommendation from the commissioner. The division of energy distribution shall have responsibility for, but not limited to, analyzing existing energy transportation needs and plans, transfer and storage facilities as well as working in cooperation with producers and transporters.

Section 36. KRS 152A.120 is amended to read as follows:

The bureau of *energy management* [production and distribution] shall be responsible for energy resource information. The department of energy may enter into a contractual agreement between the department and the Kentucky geological survey and such other organizations deemed necessary in order to perform this function.

SECTION 37. A NEW SECTION OF KRS CHAPTER 153 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky center for the arts corporation is hereby established, and shall consist of eleven (11) members representing metropolitan Louisville and Kentucky to be appointed by the governor, who shall also designate a chairman. Initial terms shall be staggered; thereafter, members shall be appointed to four-year terms.

(2) Members may be removed by the governor only for cause after being afforded notice, a hearing with counsel before the governor or his designee, and a finding of fact by the governor. A copy of charges, transcript of the record of the hearings and findings of fact shall be filed with the secretary of state.

(3) The Kentucky center for the arts corporation shall be a body corporate with full corporate powers. A quorum of the corporation shall consist of six (6) members, with a majority of members present authorized to act upon any matter legally before the corporation. Full minutes and records shall be kept of all meetings of the corporation and all official actions shall be recorded.

(4) The corporation may enact bylaws concerning the election of other officers, the creation of an executive committee with full authority to act between regular meetings, and the designation of alternates for members with full voting authority.

SECTION 38. A NEW SECTION OF KRS CHAPTER 153 IS CREATED TO READ AS FOLLOWS:

The Kentucky center for the arts corporation:

(1) Shall supervise construction of the Kentucky center for the arts in conjunction with the department of finance, and shall provide all management functions for the facility and for any other property acquired or leased pursuant to its powers under this section;

(2) May take, acquire and hold property, and all interests therein, by deed, purchase, gift, devise, bequest, lease or eminent domain, or by transfer from the state property and buildings commission, and may dispose of any property so acquired in any manner provided by law. In the exercise of its power of eminent domain, it shall proceed in the manner provided in the Eminent Domain Act of Kentucky, KRS 416.540 to 416.680;

(3) May issue revenue bonds, subject to procedures which shall be established by the department of finance, solely payable from the charges, revenues, rentals, and other funds pledged for their payment for the purpose of paying all or any part of the cost of any project or for the acquisition of property;

(4) Shall promote the growth and development of the arts, convention trade, tourism and the hotel industry within Jefferson County and the Commonwealth, through utilization of the Kentucky center to enhance these and the public interest;

(5) May adopt administrative regulations as provided in KRS Chapter 13 governing the operation, maintenance or use of property under its custody and control;

(6) May levy a surcharge on tickets for all functions held within the center to contribute to operating revenue;

(7) May receive tax revenues from any governmental unit, and financial contributions of local governments, private persons and foundations;

(8) Shall have exclusive control of all exhibitions, performances and concessions in the center for the arts. The corporation shall have a prior lien upon the property of any private exhibitor, concessionaire, or other person holding an exhibition or performance or operating a concession in the center, and may sell such property upon ten (10) days' notice to satisfy any indebtedness;

(9) Shall develop in conjunction with local hotels, tourist packages including performance and group plans, and shall participate with local hotels and convention bureaus in attracting non-arts related conferences and conventions; and

(10) May establish an executive committee from among its membership with full authority to act between its meetings to the extent delegated by the corporation.

SECTION 39. A NEW SECTION OF KRS CHAPTER 153 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky center for the arts corporation shall appoint an executive director, who shall hold office at its pleasure, and shall serve in a full-time capacity. The executive director shall be the chief administrative officer of the corporation and shall provide the staff direction and coordination in implementing the program and discharging the duties of the corporation. The executive director is authorized to act under direction of the corporation in employing necessary staff to perform its duties and exercise its powers as assigned by this Act.

(2) The staff shall keep all minutes, records and orders of the corporation, and shall be responsible for preservation of all such documents, which are public records subject to KRS 61.870 to 61.884. The staff shall also perform any other duties assigned by the executive director, with approval of the corporation.

(3) All revenues derived by the corporation from the use of the Kentucky center for the arts, or contribution from any source as authorized in Section 38 of this Act shall be solely used to defray the expenses of the Kentucky center for the arts, including payment on debt, the cost of management and operation of its facilities, the creation of an adequate reserve for repair, replacement, debt service and capital improvements, the procurance of insurance and promotional activities. An annual audit of funds of the corporation shall be made by the state auditor of public accounts, and reported to the governor.

Section 40. KRS 156.114 is amended to read as follows:

(1) The department for elementary and secondary education is hereby created and shall consist of the office of the deputy superintendent for elementary and secondary education, the bureau of instruction, the bureau of education for exceptional children, the bureau of administration and finance for local school systems, *the bureau of federally related programs,* and such other personnel and positions as the superintendent of public instruction deems are necessary to execute the policies of the state board for elementary and secondary education.

(2) Upon the recommendation of the superintendent of public instruction or his designee, the state board for elementary and secondary education shall act on all matters relating to programs, services, publications, capital construction and facility renovation, equipment, litigations, contracts, budgets, and all other matters which are the administrative responsibility of the department for elementary and secondary education.

(3) The deputy superintendent for elementary and secondary education shall recommend to the superintendent of public instruction the establishment of bureaus, offices, divisions and units, and arrange

such bureaus, offices, divisions and units within the organizational structure of the department as will best provide required services and assure effective execution of the department's responsibilities.

(4) The deputy superintendent for elementary and secondary education, with the approval of the superintendent of public instruction, may call and conduct conferences of employes of the department for elementary and secondary education or related boards and councils on matters of concern with elementary and secondary education. Reimbursement to participants for necessary travel expenses shall be a legitimate expenditure of public funds.

Section 41. KRS 156.118 is amended to read as follows:

(1) The office of superintendent of public instruction shall consist of the superintendent of public instruction, [and] the office of legal and legislative services, *the office of federal and state liaison services and an executive assistant to the superintendent.*

(a) The office of legal and legislative services shall consist of the office head and the assistant office head, who shall be major assistants to the superintendent of public instruction[, and the division of equal education opportunities].

(b) The office of federal and state liaison services shall consist of the office head and assistant office head, who shall be major assistants to the superintendent.

(c) The executive assistant to the superintendent shall be a major policy-making assistant under his supervision in developing departmental programs.

(2) The office of the deputy superintendent of public instruction shall consist of the deputy superintendent and the following additional offices which are hereby created:

(a) The office of management information services shall provide data processing and statistical information services for the Kentucky department of education. The office of management information services shall consist of (i) the office head and the assistant office head, who shall be major assistants to the superintendent of public instruction; (ii) the division of program development and maintenance; and (iii) the division of data control.

(b) The office of communication services shall consist of (i) the office head and the assistant office head, who shall be major assistants to the superintendent of public instruction; (ii) the division of publications; (iii) the materials center, duplicating services; and (iv) the unit for dissemination.

(c) The office of research and planning shall consist of (i) the office head and the assistant office head, who shall be major assistants to the superintendent of public instruction; (ii) the division of special services; *and* [(iii) the division of ESEA title IV; and (iv)] the division of guidance and social work, which shall include a unit for social workers and health coordinators.

(d) The office of *fiscal control* [finance and personnel services] is created and shall consist of (i) the office head and assistant office head who shall be major assistants to the superintendent of public instruction; (ii) [the division of personnel and payroll services; (iii)] the division of budget development and accounting; *(iii*[(iv)] the division of purchasing, property control, and internal services; *(iv)*[(v)] the division of finance for vocational education; *(v)*[(vi)] the division of finance for federally related programs; *vi*[(vii)] the division of finance for exceptional children; *and, (vii)*[(viii)) the division of school food services; and (ix)] the division of finance for rehabilitation services.

(e) The office of personnel management is created and shall consist of (i) the office head and assistant office head, who shall be major assistants to the superintendent of public instruction; (ii) the division of personnel and payroll services; (iii) the division of equal education opportunities; (iv) and the division of insurance services.

(f) The office of school food services and surplus property shall consist of (i) the office head and assistant office head, who shall be major assistants to the superintendent of public instruction; (ii) the division of school food services; and (iii) the division of surplus property.

(3) The office of the deputy superintendent for occupational education shall include the deputy superintendent and other units which are hereby created as follows:

(a) The division of liaison services between the department for occupational education and the institutions of higher education shall be headed by a director who shall report to the deputy superintendent for occupational education. The division shall generally serve as a liaison between the department for occupational education and the council on higher education, to provide and promote harmonious relations, exchange of relevant information, and to prevent the unwarranted offering of duplicating occupation type programs by various state institutions for the same target population. The division shall coordinate the review of occupation type program requests which are directed to the state board for occupational education.

(b) The bureau of vocational education shall consist of (i) the bureau head and assistant bureau head, who shall be major assistants to the superintendent of public instruction; (ii) the division of vocational program development; (iii) the division of vocational program management; (iv) the division of interagency relations; *and* (v) the division of vocational program supporting services[; and (vi) the division of adult education].

(c) The bureau of rehabilitation services shall consist of (i) the bureau head and assistant bureau head, who shall be major assistants to the superintendent of public instruction; (ii) the division of rehabilitation services; (iii) the division of training and special programs; (iv) the east Kentucky rehabilitation center; and (v) the division of rehabilitation facility services.

(4) The office of deputy superintendent for elementary and secondary education shall consist of the deputy superintendent and other units which are hereby created as follows:

(a) The bureau of instruction shall consist of (i) the bureau head and the assistant bureau head, who shall be major assistants to the superintendent of public instruction; (ii) the division of program development, including in addition to the present organizational units the curriculum laboratory portion of the materials center, the unit for career education, and a consultant for early childhood education; (iii) the division of instructional media; (iv) [the division of compensatory education; (v)] the division of teacher education and certification; and *(v)*[(vi)] the division of supervision, accreditation, and organization with separate units for supervision and accreditation.

(b) The bureau of education for exceptional children shall consist of (i) the bureau head and assistant bureau head, who shall be major assistants to the superintendent of public instruction; (ii) the division of learning disabilities; (iii) the division of emotionally disturbed; (iv) the division of mental retardation; (v) the division of physically handicapped; (vi) the division of communicative disorders; (vii) the division of supporting services; (viii) the division of field services; and (ix) the division of residential services including responsibilities for the school for the deaf and the school for the blind.

(c) The bureau of administration and finance for local school systems shall consist of (i) the bureau head and assistant bureau head who shall be major assistants to the superintendent of public instruction; (ii) the division of local school district finance including the coordination of public law 81-874 and public law 81-815; (iii) the division of pupil transportation; (iv) the division of buildings and grounds; (v) the division of pupil personnel attendance and accounting; (vi) the division of local school district administrative services; *and* (vii) [the division of surplus property; and (viii)] the division of energy conservation.

(d) The bureau of federally related programs shall consists of (i) the bureau head and assistant bureau head, who shall be major assistants to the superintendent of public instruction; (ii) the division of compensatory education, ESEA Title I; (iii) the division of ESEA Title IV; and (iv) the division of adult education.

Section 42. KRS 163.086 is amended to read as follows:

(1) There shall be a state advisory council on vocational education, consisting of a minimum of twenty-one (21) members appointed by the governor. *Membership of the council shall be structured so as to comply with the requirements of section 1056 of Public Law No. 92-318, the education amendments of 1972. Members shall receive fifty dollars ($50.00) per diem, along with necessary expenses, for attending meetings.*

(2) The principal duty of the council shall be to comply with the requirements of Public Law No. 92-318, and amendments thereto. Furthermore, the council shall be the planning and recommending agency for postsecondary education in Kentucky and may apply for funding under the appropriate federal and state acts in order to carry out its purposes, as required by section 1056 of Public Law 92-318.

(3) The state advisory council for vocational education shall *(a) review the overall needs of postsecondary/technical education in the Commonwealth and recommend the development of comprehensive plans which meet those needs. The council shall transmit such plans to the governor, the legislative research commission, the state department of education, the department for occupational education and any affected agency at least six months prior to the beginning of any regular session of the general assembly. Prior to and during the regular session, the council shall review all proposed legislation relating to vocational/technical education in the Commonwealth; (b)*[,] to advise and consult with the state board of education, superintendent of public instruction, and assistant superintendent for vocational education in the development of rules and regulations and annual state plan for the administration of vocational education. The council shall be responsible for holding public hearings on vocational education and evaluate significant areas of the state program of vocational education each year, prepare an annual report of its findings, then submit it through the state board of education to the United States commissioner of education and the national advisory council on vocational education in compliance with the provisions of the acts of congress which are accepted for the purpose of supporting vocational education in Kentucky and the ensuring of compliance with the provisions of KRS Chapters 156 and 163, which pertain to programs of vocational education in the Commonwealth of Kentucky. Members of the council shall receive fifty dollars ($50) per day attendance at each meeting or hearing.

SECTION 43. A NEW SECTION OF KRS CHAPTER 171 IS CREATED TO READ AS FOLLOWS:

(1) There is established the Kentucky military museum which shall be housed in the old state arsenal, and shall serve as repository of objects relating to the Commonwealth's military history.

(2) The Kentucky historical society and its staff shall maintain the museum, receive, store and catalogue all military historical items, and exercise fiduciary responsibility in the preservation and maintenance of the old state arsenal and all objects placed therein.

(3) The department for military affairs and the adjutant general shall provide the old state arsenal as the museum facility, shall maintain and operate the building and grounds, and shall cooperate in contributing items of military history for display within the museum.

(4) There is hereby created the Kentucky military museum committee which shall establish policies and procedures for operation of the military museum. The committee shall be composed of the adjutant general and director of the historical society, both serving ex-officio, and six (6) members, each selected from lists of three (3) nominees, with three (3) lists submitted from each ex-officio member, all appointed by the governor to serve for terms of four (4) years. The governor shall also appoint a chairman of the committee from its membership.

(5) The military museum and committee shall be attached to the Kentucky historical society for administrative and other purposes.

Section 44. KRS 194.090 is amended to read as follows:

The department shall include citizen advisory bodies within its structure to provide independent advice from the general public. The citizen bodies within the department shall have the following structure:

(1) There is hereby created, within the department, a citizens' commission for human resources.

(a) The citizens' commission for human resources shall advise the governor, the secretary for human resources, and other officials of the Commonwealth on policy matters relating to the health, welfare, manpower, and other human service needs of the citizens of the Commonwealth of Kentucky and the health, welfare, manpower, and other human service programs developed and operated by the Commonwealth of Kentucky to address those needs. The citizens' commission for human resources shall also advise the secretary for human resources on the identification of service needs, the formulation of policy, the development of program alternatives, the evaluation of program proposals, the determination of program priorities, the allocation of resources, proposed state and federal legislation, and proposed state and federal administrative regulations.

(b) The citizens' commission for human resources shall be composed of no more than fifteen (15) members appointed by the governor. The members of the citizens' commission for human resources shall be chosen to broadly represent public interest groups concerned with the human service programs operated by the department for human resources, professionals involved in the delivery of human services, minority groups, recipients of human services provided by the state, and the general public. The governor shall appoint the chairman of the citizens' commission for human resources upon the recommendation of the secretary for human resources. The secretary for human resources shall be a nonvoting ex officio member of, staff director for, and secretary to, the citizens' commission for human resources. The citizens' commission for human resources shall meet at least quarterly and on other occasions as may be necessary, on the call of the chairman of the citizens' commission for human resources or the secretary for human resources. A majority of the appointed members shall constitute a quorum.

(2) There is hereby created within the department for human resources a council for health services.

(a) The council for health services shall advise the citizens' commission for human resources, the secretary for human resources, the commissioner for health services, and other officials of the Commonwealth on policy matters concerning the delivery of health services including the assessment of needs, the development of program alternatives, the determination of priorities, the formulation of policy, the allocation of resources, and the evaluation of programs. The council for health services shall be utilized by the department for human resources to fulfill federal requirements for citizens' advisory councils associated with programs designed to provide health services.

(b) The council for health services shall be composed of no more than nineteen (19) citizen members appointed by the governor. Members of the council for health services shall be chosen to broadly represent public interest groups concerned with health services, professionals involved in the delivery of health services, recipients of health services provided by the state, minority groups, and the general public. The governor shall appoint the chairman of the council for health services who by virtue of his appointment shall also serve as one of the voting members of the citizens' commission for human resources. The secretary for human resources and the commissioner for health services shall be nonvoting ex officio members of the council for health services, and the commissioner for health services shall be staff director for, and secretary to the council for health services. The council for health services shall meet at least quarterly and on other occasions as may be necessary, on the call of the secretary for human resources or the commissioner for health services. A majority of the appointed members shall constitute a quorum.

(3) There is hereby created within the department for human resources a council for social insurance.

(a) The council for social insurance shall advise the citizens' commission for human resources, the secretary for human resources, the commissioner for social insurance, and other officials of the Commonwealth on policy matters concerning the delivery of social alternatives, the determination of priorities, the formulation of policy, the allocation of resources, and the evaluation of programs. The council for social insurance shall be utilized by the department for human resources to fulfill federal requirements for citizens' advisory councils associated with programs designed to provide income maintenance and supplementation services.

(b) The council for social insurance shall be composed of no more than fifteen (15) citizen members appointed by the governor. Members of the council for social insurance shall be chosen to broadly represent public interest groups concerned with social insurance programs operated by the Commonwealth, minority groups, the poor, recipients of social insurance services provided by the state and the general public. The governor shall appoint the chairman of the council for social insurance, who by virtue of his appointment shall also serve as one of the voting members of the citizens' commission for human resources. The secretary for human resources and the commissioner for social insurance shall be nonvoting ex officio members of the council for social insurance, and the commissioner for social insurance shall be staff director for and secretary to the council for social insurance. The council for social insurance shall meet at least quarterly and on other occasions as may be necessary, on the call of the secretary for human resources or the commissioner for social insurance. A majority of the appointed members shall constitute a quorum.

(4) There is hereby created within the department for human resources a council for social services.

(a) The council for social services shall advise the citizens' commission for human resources, the secretary for human resources, the commissioner for social services, and other officials of the Commonwealth on policy matters concerning the delivery of social services including the assessment of needs, the development of program alternatives, the determination of priorities, the formulation of policy, the allocation of resources, and the evaluation of programs. The council for social services shall be utilized by the department for human resources to fulfill federal requirements for citizens' advisory councils associated with programs designed to provide social services.

(b) The council for social services shall be composed of no more than fifteen (15) citizen members appointed by the governor. Members of the council for social services shall be chosen to broadly represent public interest groups concerned with social services, professionals involved in the delivery of social services, minority groups, the disadvantaged, recipients of social services provided by the state, and the general public. The governor shall appoint the chairman of the council for social services, who by virtue of his appointment shall also serve as one of the voting members of the citizens' commission for human resources. The secretary for human resources and the commissioner for social services shall be nonvoting ex officio members of the council for social services, and the commissioner for social services shall be staff director for, and secretary to, the council for social services. The council for social services shall meet at least quarterly and on other occasions as may be necessary, on the call of the secretary for human resources or the commissioner for social services. A majority of the appointed members shall constitute a quorum.

(5) There is hereby created within the department for human resources a *state employment and training council* [for manpower services].

(a) The council [for manpower services] shall advise the citizens' commission for human resources, the secretary for human resources, the commissioner for manpower services, and other officials of the Commonwealth on policy matters concerning the delivery of manpower services including the assessment of needs, the development of program alternatives, the determination of priorities, the formulation of policy, the allocation of resources, and the evaluation of programs. The council [for manpower services] shall be utilized by the department for human resources to fulfill federal requirements for citizens' advisory councils associated with programs designed to provide manpower services.

(b) *The council shall review the programs of prime sponsors and the availability of state services, and shall prepare reports and make recommendations to the governor to improve these programs. The council shall furthermore do all necessary to comply with Public Law No. 95-524, the comprehensive employment and training act amendments of 1978.*

(c) The council shall consist of twenty-eight (28) members appointed by the governor. Members shall represent those groups as required by Public Law No. 95-524, including units of local government, including those which are prime sponsors, representatives of the eligible population served and the general public, representatives of service deliverers, and representatives of organized labor, business and agricultural employers or workers. The governor shall designate a chairman of the council, who by virtue of appointment shall serve as a voting member on the citizens' commission for human resources. The council shall be attached to the bureau for manpower services which shall provide all support services. Members shall be compensated for necessary expenses in attending meetings. [The council for manpower services shall be composed of no more than nineteen (19) citizen members appointed by the governor. Members of the council for manpower services shall be chosen to broadly represent public interest groups concerned with manpower services, professionals, organized labor, private industry and business, recipients of manpower services provided by the Commonwealth, minority groups, and the general public. The governor shall appoint the chairman of the council for manpower services, who by virtue of his appointment shall also serve as one of the voting members of the citizens' commission for human resources. The secretary for human resources and the commissioner for manpower services shall be nonvoting ex officio members of the council for manpower services, and the commissioner for manpower services shall be staff director for, and secretary to the council

for manpower services. The council for manpower services shall meet at least quarterly and on other occasions as may be necessary, on the call of the secretary for human resources or the commissioner for manpower services. A majority of the appointed members shall constitute a quorum.]

(6) There is hereby created within the department for human resources an institute for aging.

(a) The institute for aging shall advise the citizens' commission for human resources, the secretary for human resources, and other officials of the Commonwealth on policy matters relating to the development and delivery of services to the aged. The institute for aging shall be primarily concerned with identifying special needs of the aged and advising the secretary for human resources on how the department may integrate its various programs and services to yield the maximum possible benefit for the aged. The institute for aging shall be utilized by the department for human resources to fulfill federal requirements for citizens' advisory councils associated with programs designed to provide services to the aged.

(b) The institute for aging shall be composed of no more than eleven (11) citizen members appointed by the governor. Members of the institute for aging shall be chosen to broadly represent public interest groups concerned with the needs of the aged, professionals involved in the delivery of services to the aged, minority groups, recipients of state-provided services to the aged, and the general public. The governor shall appoint a chairman of the institute for aging, who by virtue of his appointment shall also serve as one of the voting members of the citizens' commission for human resources. The secretary for human resources shall be a nonvoting ex officio member of, staff director for, and secretary to, the institute for aging. The institute for aging shall meet at least quarterly and on other occasions as may be necessary, on the call of the secretary for human resources. A majority of the appointed members shall constitute a quorum.

(7) There is hereby created within the department for human resources an institute for children.

(a) The institute for children shall advise the citizens' commission for human resources, the secretary for human resources, and other officials of the Commonwealth on policy matters relating to the development and delivery of services to children, adolescents, and the developmentally disabled. The institute for children shall be primarily concerned with identifying the special needs of these clientele groups and advising the secretary on how the department for human resources may integrate its various programs and services to yield the maximum possible benefit for children, adolescents, and the developmentally disabled. The institute for children shall be utilized by the department for human resources to fulfill federal requirements for citizens' advisory councils associated with programs designed to provide services to these clientele groups.

(b) The institute for children shall be composed of no more than eleven (11) citizen members appointed by the governor. Members of the institute for children shall be chosen to broadly represent public interest groups concerned with the needs of children, adolescents, and the developmentally disabled, professionals involved in the delivery of services to these clientele groups, minority groups, recipients of state-provided services to these clientele groups, and the general public. The governor shall appoint a chairman of the institute for children who by virtue of his appointment shall also serve as one of the voting members of the citizens' commission for human resources. The secretary for human resources shall be a nonvoting ex officio member of, staff director for, and secretary to, the institute for children. The institute for children shall meet at least quarterly and on other occasions as may be necessary on the call of the secretary for human resources. A majority of the appointed members shall constitute a quorum.

SECTION 45. A NEW SECTION OF KRS CHAPTER 196 IS CREATED TO READ AS FOLLOWS:

The bureau shall operate a forensic psychiatric facility to provide mental health care for persons convicted of a crime who are committee to the bureau. This care shall be provided by the bureau for the duration of the person's sentence.

Section 46. KRS 198A.030 is amended to read as follows:

(1) There is hereby created and established an independent, de jure municipal corporation and political subdivision of the Commonwealth which shall be a public body corporate and politic to be known as the Kentucky housing corporation.

(2) The Kentucky housing corporation is created and established as a de jure municipal corporation and political subdivision of the Commonwealth to perform essential governmental and public functions and purposes in improving and otherwise promoting the health and general welfare of the people by the production of residential housing in Kentucky.

(3) The corporation shall be governed by a board of directors, consisting of *fifteen (15)* [fourteen (14) members], *seven (7)* [six (6)] of whom shall be the secretary of the executive department for finance and administration, the commissioner of the department for local government, the commissioner of revenue, the attorney general, the secretary of the cabinet for development, *the secretary of transportation* and the commissioner of commerce, or their duly appointed designees, as public directors, and eight (8) of whom shall be chosen from the general public residing in the Commonwealth, as private directors.

(4) Upon organization of the corporation, the governor shall appoint the eight (8) private directors to take office and to exercise all powers thereof immediately. Of the eight (8) directors of the corporation thus appointed, two (2) shall continue in office for terms of one (1) year, and two (2) for terms of two (2)

years, two (2) for terms of three (3) years and two (2) for terms of four (4) years respectively as the governor shall designate; at the expiration of said terms and for all succeeding terms, the governor shall appoint a successor to the office of private director for a term of four (4) years in each case.

(5) In case of a vacancy, the governor may appoint a person for such a vacancy to hold office during the remainder of the term.

(6) The governor may remove any private director whom he may appoint in case of incompetency, neglect of duty, gross immorality, or malfeasance in office; and he may declare his office vacant and may appoint a person for such vacancy as provided in other cases of vacancy.

(7) The governor shall designate a director of the corporation to serve as chairman. The term of the chairman shall extend to the earlier of either the date of expiration of his then current term as a director of the corporation or a date six (6) months after the expiration of the then current term of the governor designating such chairman.

(8) The board of directors shall annually elect one (1) of its members as vice chairman. The board of directors shall also elect or appoint, and prescribe the duties of, such other officers as the board of directors deems necessary or advisable, including an executive director and a secretary, and the board of directors shall fix the compensation of such officers.

(9) The executive director shall administer, manage and direct the affairs and business of the corporation, subject to the policies, control and direction of the board of directors of the corporation. The secretary of the corporation shall keep a record of the proceedings of the corporation and shall be custodian of all books, documents and papers filed with the corporation, the minute book or journal of the corporation and its official seal. The secretary shall have authority to cause copies to be made of all minutes and other records and documents of the corporation and to give certificates under the official seal of the corporation to the effect that such copies are true copies, and all persons dealing with the corporation may rely upon such certificates.

(10) A majority of the board of directors of the corporation shall constitute a quorum for the purposes of conducting its business and exercising its powers and for all other purposes, notwithstanding the existence of any vacancies.

(11) Action shall be taken by the corporation upon a vote of a majority of the directors present at a meeting at which a quorum shall exist called upon three (3) days' written notice to each director or upon the concurrence of at least seven directors.

(12) All directors shall be entitled to their reasonable and necessary expenses actually incurred in discharging their duties under this chapter. Each private director appointed pursuant to subsection (3) of this section shall be entitled to a fee of fifty dollars ($50.00) for attendance at each meeting of the board of directors.

Section 47. KRS 210.140 is amended to read as follows:

(1) Pursuant to agreement entered into by the heads of the departments concerned, a patient or inmate of a state institution operated by one state department may be transferred to a state institution operated by another state department, except that:

(a) An inmate may be transferred from a penal or correctional institution only as provided in KRS Chapter 202A [and KRS 431.240];

(b) No patient or inmate may be transferred to a penal or correctional institution unless he has been committed to such institution by judgment of a court;

(c) No patient or inmate may be transferred to an institution for the mentally ill or mentally retarded except for a period of observation not to exceed sixty (60) days, unless he has been hospitalized in accordance with KRS 202A.080. [However, this shall not apply to transfers under KRS 202A.190 or 431.240.]

(2) When a patient or inmate hospitalized by court order to one institution is transferred to another institution pursuant to this section, the order of hospitalization shall be deemed to apply to the institution to which transferred.

Section 48. KRS 217.542 is amended to read as follows:

KRS 217.542 to 217.630 shall be administered by the [secretary of the] department *of agriculture* [for natural resources and environmental protection], hereinafter referred to as the *"department"*. ["secretary."]

Section 49. KRS 217.544 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Active ingredient" means any ingredient which will prevent, destroy, repel, control or mitigate pests, or which will act as a plant regulator, defoliant or desiccant, or as a functioning agent in a spray adjuvant;

(2) "Adulterated" shall apply to any pesticide if its strength or purity falls below the professed standard or quality as expressed on its labeling or under which it is sold, or if any substance has been substituted wholly or in part for the pesticide, or if any valuable constituent of the pesticide has been wholly or in part abstracted;

(3) "Animal" means all vertebrate and invertebrate species, including but not limited to man and other mammals, birds, fish, and shellfish;

(4) "Antidote" means the most practical immediate treatment in case of poisoning and includes first-aid treatment;

(5) "Board" means the pesticide advisory board;

(6) "Defoliant" means any substance or mixture of substances intended to cause the leaves or foliage to drop from a plant, with or without causing abscission;

(7) "Desiccant" means any substance or mixture of substances intended to artificially accelerate the drying of plant tissue;

(8) "Device" means any instrument or contrivance other than a firearm which is intended for trapping, destroying, repelling, or mitigating any pest or any other form of plant or animal life other than man and other bacteria, virus, or other micro-organisms on or in living man or other living animals; but not including equipment used for the application of pesticides when sold separately therefrom;

(9) "Distribute" means to offer for sale, hold for sale, sell, barter, ship, deliver for shipment, or receive and, having received, deliver or offer to deliver pesticides in this state;

(10) "Environment" includes water, air, land and all plants and man and other animals living therein and the interrelationships which exist among these;

(11) "EPA" means the United States environmental protection agency;

(12) "FIFRA" means the federal insecticide, fungicide and rodenticide act as amended;

(13) "Fungi" means all non-chlorophyll bearing thallophytes; that is, all non-chlorophyll bearing plants of a lower order than mosses and liverworts, as for example, rusts, smuts, mildews, molds, yeasts, bacteria, and viruses, except those on or in living man or other living animals, and except those in or on processed food, beverages, or pharmaceuticals;

(14) "Highly toxic pesticide" means any pesticide determined to be highly toxic under the authority of Sec. 25(c)(2) of FIFRA or by the *department* [secretary] under this chapter;

(15) "Imminent hazard" means a situation which exists when the continued use of a pesticide would likely result in unreasonable adverse effects on the environment or will involve unreasonable hazard to the survival of a species declared endangered by the secretary of the United States department of interior under Public Law 91-135 of the United States congress;

(16) "Inert ingredient" means an ingredient which is not an active ingredient;

(17) "Ingredient statement" means a statement of the name and percentage of each active ingredient together with the total percentage of the inert ingredients in the pesticide and, when the pesticide contains arsenic in any form, a statement of the percentage of total and water soluble arsenic, each stated as elemental arsenic;

(18) "Insect" means any of the numerous small invertebrate animals generally having the body more or less obviously segmented, for the most part belonging to the class insecta, comprising six-legged, usually winged forms, as for example, beetles, bugs, bees, flies, and to other allied classes of arthropods whose members are wingless and usually have more than six legs, as, for example, spiders, mites, ticks, centipedes, and wood lice, also nematodes and other invertebrates which are destructive, constitute a liability, and may be classed as pests;

(19) "Label" means the written printed, or graphic matter on, or attached to, the pesticide or device, or to any of its containers or wrappers;

(20) "Labeling" means the label and other written printed or graphic matter:

(a) On the pesticide or device, or any of its containers or wrappers;

(b) Accompanying the pesticide or device at any time or referring to it in any other media used to disseminate information to the public; and

(c) To which reference is made on the label or in the literature accompanying the pesticide or device, except when accurate non-misleading reference is made to current official publications of the United States environmental protection agency, the departments of agriculture and interior, the department of health, education and welfare, and other similar federal institutions, the college of agriculture, University of Kentucky, Kentucky agricultural experiment station, department for human resources, department for natural resources and environmental protection, or other agencies of this state or other states when such agencies are authorized by law to conduct research in the field of pesticides;

(21) "Land" means all land and water areas, including air space and all plants, animals, structures, buildings, contrivances, and machinery appurtenant thereto, or situated thereon, fixed or mobile, including any used for transportation;

(22) "Misbranded" means a pesticide is misbranded if:

(a) Its labeling bears any statement, design, or graphic representation relative thereto or to its ingredients which is false or misleading in any particular;

(b) It is an imitation of or is distributed under the name of another pesticide;

(c) The labeling accompanying it does not contain directions for use which are necessary for effecting the purpose for which the product is intended and, if complied with, together with any requirements imposed under section 3(d) of FIFRA are adequate to protect health and the environment;

(d) The labeling does not contain a statement of the use classification under which the product is registered by EPA;

(e) The label does not contain a warning or caution statement which may be necessary and if complied with, together with any requirements imposed under section 3(d) of FIFRA, is adequate to protect health and the environment;

(f) The label does not bear an ingredient statement on that part of the immediate container, and on the outside container or wrapper, if there be one, through which the ingredient statement on the immediate container cannot be clearly read, of the retail package which is presented or displayed under customary conditions of the purchase; provided, that the ingredient statement may appear prominently on another part of the container pursuant to section 2(q) 2(A) (i) (ii) of FIFRA if the size and form of the container makes it impractical to place it on that part of the retail package which is presented or displayed under customary conditions of purchase;

(g) Any word, statement, or other information required by KRS 217.542 to 217.630 or FIFRA to appear on the label or labeling is not prominently placed thereon with such conspicuousness, as compared to other words, statements, designs, or graphic matter in the labeling, and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;

(h) The label does not bear the name, brand or trademark under which the pesticide is distributed;

(i) The label does not bear the net weight or measure of the content;

(j) The label does not bear the name and address of the manufacturer, registrant or person for whom manufactured; and

(k) The label does not bear the EPA registration number assigned to each establishment in which the product is produced and the EPA number assigned to the pesticide, if required by regulation under FIFRA;

(23) "Nematode" means invertebrate animals of the phylum nemathelminthes and class nematoda, that is, unsegmented round worms with elongated, fusiform, or sac-like bodies covered with cuticle, and inhabiting soil, water, plants or plant parts; may also be called nemas or eelworms;

(24) "Person" means any individual, partnership, association, or any organized group of persons whether incorporated or not;

(25) "Pest" means any insect, snail, slug, rodent, nematode, fungus, weed, and any other form of plant or animal life, or virus, bacteria, or other micro-organism, except viruses, bacteria, or other micro-organisms on or in living man or other living animals, which is normally considered to be a pest, or which the *department* [secretary] may declare to be a pest;

(26) "Pesticide" means any substance or mixture of substances intended to prevent, destroy, control, repel, attract, or mitigate any pest; any substance or mixture of substances intended to be used as a plant regulator, defoliant, or desiccant; and any substance or mixture of substances intended to be used as a spray adjuvant;

(27) "Plant regulator" means any substance or mixture of substances, intended through physiological actions, to accelerate or retard the rate of growth or maturation, or to otherwise alter the behavior of plants, but shall not include substances insofar as they are intended to be used as plant nutrients, trace elements, nutritional chemicals, plant inoculants, or soil amendments;

(28) "Protect health and the environment" means protection against any unreasonable adverse effects on the environment;

(29) "Registrant" means a person who has registered any pesticide pursuant to the provisions of KRS 217.542 to 217.630;

(30) "Restricted use pesticide" means any pesticide classified for restricted use by the administrator, EPA, or by regulation of the *department* [secretary];

(31) "Spray adjuvant" means any wetting agent, spreading agent, sticker, deposit builder, adhesive, emulsifying agent, deflocculating agent, water modifier, or similar agent intended to be used with any other pesticide as an aid to the application or to the effect thereof, and which is in a package or container separate from that of the other pesticide with which it is to be used;

(32) "Unreasonable adverse effects on the environment" means any unreasonable risk to man or the environment, taking into account the economic, social, and environmental costs and benefits of the use of any pesticide;

(33) "Weed" means any plant which grows where not wanted; and

(34) "Wildlife" means all living things that are neither human, domesticated, nor as defined in KRS 217.542 to 217.630, pests, including but not limited to mammals, birds and aquatic life.

Section 50. KRS 217.550 is amended to read as follows:

It shall be unlawful for any person to distribute within this state the following:

(1) Any pesticide which is not registered pursuant to the provisions of KRS 217.542 to 217.630, the provisions of FIFRA; or

(2) Any pesticide if any of the claims made for it or any of the directions for its use differ from the representations made in connection with its registration, or if the composition of a pesticide differs from

its composition as represented in connection with its registration; Provided, that in the discretion of the *department* [secretary], a change in the labeling or formulation of a pesticide may be made, within a registration period, without requiring reregistration of the product if the name is not changed and if the registration is amended to reflect such change and if such change will not violate any provisions of FIFRA;

(3) Any pesticide, unless it is in the registrant's or the manufacturer's unbroken immediate container, and there is affixed to such container, and to the outside container or wrapper of the retail package, if there is one through which the required information on the immediate container cannot be clearly read, a label bearing:

(a) The brand name and address of the manufacturer, registrant or person for whom manufactured;
(b) The name, brand or trademark under which the article is sold;
(c) The net weight or measure of the content; and
(d) Any pesticide in containers which are unsafe due to damage.

(4) Any pesticide which contains any substance or substances in quantities highly toxic to man, determined as provided in KRS 217.542 to 217.630, unless the label bears, in addition to any other matter required by KRS 217.542 to 217.630:

(a) The skull and crossbones;
(b) The word "poison" in red prominently displayed on a background of distinctly contrasting color; and
(c) A statement of a practical treatment, first aid or otherwise, in case of poisoning by the pesticide;

(5) The pesticides commonly known as lead arsenate, basic lead arsenate, calcium arsenate, magnesium arsenate, zinc arsenate, zinc arsenite, sodium fluoride, sodium fluosilicate, and barium fluosilicate unless they are distinctly colored or discolored as provided by regulations, or any other white powder pesticide which the *department* [secretary], after investigation of and after public hearing on the necessity for such action for the protection of human life and the environment and the feasibility of such coloration or discoloration, shall by regulation, require to be distinctly colored or discolored unless it has been so colored or discolored;

(6) Any pesticide which is adulterated or misbranded, or any device which is misbranded.

Section 51. KRS 217.560 is amended to read as follows:

It shall be unlawful:

(1) For any person to detach, alter, deface, or destroy, in whole or in part, any label or labeling provided for in KRS 217.542 to 217.630 or the regulations adopted hereunder, or to add any substance to, or take any substance from a pesticide in a manner that may defeat the purposes of KRS 217.542 to 217.630 or the regulations adopted hereunder;

(2) For any person to use for his own advantage or to reveal, other than to the *department* [secretary], or proper officials or employes of the state or officials or employes of EPA, or other federal agencies, or to the courts in response to a subpoena, or to physicians, or in emergencies to pharmacists and other qualified persons for use in the preparation of antidotes, in accordance with such directions as the *department* [secretary] may prescribe, any information relative to formulas of products, or trade secrets or other confidential information obtained under authority of KRS 217.542 to 217.630;

(3) For any person to oppose or interfere in any way with the *department* [secretary] or *its* [his] duly authorized agents in carrying out the duties imposed by KRS 217.542 to 217.630 any regulations adopted hereunder;

(4) For any person to handle, transport, store, display or distribute pesticides in such a manner as to endanger man and his environment, or to endanger food, feed, or any other products that may be transported, stored, displayed or distributed with such pesticides; and

(5) For any person to dispose of, discard, or store any pesticides or pesticide containers in such a manner as to cause injury to humans, vegetation, crops or livestock, wildlife, beneficial insects, or to pollute any water supply or waterway.

Section 52. KRS 217.570 is amended to read as follows:

(1) Every pesticide distributed within the state or delivered for transportation or transported in intrastate commerce or between points within the state through points outside the state shall be registered with the department; Provided, that registration is not required if a pesticide is shipped from one plant or warehouse to another plant or warehouse operated by the same person and used solely at such plant or warehouse as a constituent part to make a pesticide which is registered under the provisions of KRS 217.542 to 217.630; or if the pesticide is distributed under the provisions of an experimental use permit issued under the provisions of KRS 217.542 to 217.630 or an experimental use permit issued by EPA. All registrations shall expire on the thirty-first day of December of the calendar year for which they were issued.

(2) The applicant for registration shall file with the department, a statement containing:

(a) The name and address of the applicant and the name and address of the person whose name will appear on the label, if other than the applicant's;

(b) The name of the pesticide and its EPA registration number;

(c) A complete copy of the labeling accompanying the pesticide and a statement of all claims made or to be made for it including directions for use and a request that the pesticide be classified for non-restricted use, for restricted use, or for both as provided for in FIFRA. In the case of renewal of registration, a statement shall be required only with respect to information which is different from that furnished when the pesticide was registered or last re-registered; provided, that upon request a copy of all labels shall be furnished;

(d) Other necessary information as specified by the *department* [secretary] on the application for registration form;

(e) The *department* [secretary] may require a full description of the tests made and results thereof upon which the claims are based on any pesticide not registered pursuant to section 3 of FIFRA, or on any pesticide on which restrictions are being considered.

(3) The applicant desiring to register a pesticide in this state shall make application on forms furnished by the department, and, for the purposes of defraying expenses connected with the enforcement of KRS 217.542 to 217.630, shall pay to the department an annual inspection fee of twenty dollars ($20.00) for each and every brand or grade to be offered for sale in this state. There shall be issued to the registrant by the *department* [secretary] a license entitling the registrant to sell all duly registered brands in this state until the expiration of the license;

(4) The *department* [secretary], when [he deems it] necessary in the administration of KRS 217.542 to 247.630, may require the submission of the complete formula of any pesticide including the active and inert ingredients;

(5) The *department may* [secretary is authorized and empowered to] refuse to register, or to cancel the registration of, any brand of pesticide as herein provided, upon satisfactory proof that the registrant has been guilty of fraudulent and deceptive practices in evasions or attempted evasions of the provisions of KRS 217.542 to 217.630 or any rules and regulations promulgated thereunder; Provided, that no registration shall be revoked or refused until the registrant shall have been given a hearing by the department;

(6) Registrants desiring to renew registrations shall file with the department an application for renewal prior to January 1. Any registration in effect on the 31st day of December and for which a renewal application has been made and the proper fee paid shall continue in full force and effect until such time as the department has notified the applicant that the registration has been renewed, or denied;

(7) If the renewal of a pesticide registration is not filed prior to January 15 of any year, or if a new product is sold or offered for sale prior to registration an additional fee of ten dollars ($10.00) shall be assessed and added to the original fee before the registration of that pesticide is renewed or a new registration is accepted; Provided, that such additional fee shall not apply if the applicant furnishes an affidavit certifying that he did not distribute such unregistered pesticides during the period of non-registration. The payment of such additional fee is not a bar to any prosecution for doing business without proper registry;

(8) Upon certification by the administrator of EPA to register pesticides pursuant to section 24(c) of FIFRA, the *department* [secretary] may register such pesticides if *it* [he] determines that:

(a) Its composition is such as to warrant the proposed claims for it;

(b) Its labeling and other material required to be submitted meet with the requirements of KRS 217.542 to 217.630;

(c) It will perform its intended function, and when used in accordance with widespread and commonly recognized practice, will not cause unreasonable adverse effects on the environment; and

(d) Provided that the registration is not disapproved by the administrator of EPA.

Section 53. KRS 217.572 is amended to read as follows:

(1) Upon certification pursuant to section 24(c) of FIFRA by the administrator of EPA to register pesticides formulated to meet special local needs, the *department* [secretary] shall consider the following for refusal to register, for cancellation, for suspension and for legal recourse for such pesticides:

(a) If it does not appear to the *department* [secretary] that the pesticide is such as to warrant the proposed claims for it or if the pesticide and its labeling and other material required to be submitted do not comply with the provisions of KRS 217.542 to 217.630 or regulations adopted thereunder, *the department* [he] shall notify the applicant of the manner in which the pesticide, labeling, or other material required to be submitted fails to comply with the provisions of KRS 217.542 to 217.630 so as to afford the applicant an opportunity to make the necessary corrections. If, upon receipt of such notice, the applicant does not make the required changes, the *department* [secretary] may refuse to register the pesticide.

(b) When the *department* [secretary] determines that a pesticide or its labeling does not comply with the provisions of KRS 217.542 to 217.630 or the regulations adopted thereunder, [he may cancel] the registration of a pesticide *may be cancelled* after a hearing.

(c) When the *department* [secretary] determines that there is an imminent hazard, *it* [he] may[, on his own motion,] suspend the registration of a pesticide without first holding a hearing but a hearing shall be held with the utmost possible expedition.

(d) Any person who will be adversely affected by such order in this section may obtain judicial review thereof by filing in the Franklin Circuit Court, within thirty (30) days after the entry of such order. A petition shall be forthwith transmitted by the clerk of the court to the *department which shall* [secretary and] thereupon [the secretary shall] file in the court the record of the proceedings on which *the* [he based his] order *was based.* The court shall have jurisdiction to affirm or set aside the order complained of in whole or in part. The findings of the *department* [secretary] with respect to questions of fact shall be sustained if supported by substantial evidence when considered on the record as a whole. Upon application, the court may remand the matter to the *department* [secretary] to take further testimony if there are reasonable grounds for the failure to adduce such evidence in the prior hearing. The *department* [secretary] may modify *its* [his] findings and [his] order by reason of the additional evidence so taken and shall file the additional record and any modification of the findings or order with the clerk of the court.

(2) If the *department* [secretary] determines that the federally registered pesticide with respect to the use of such pesticide within this state does not warrant the proposed claims for it, or if the pesticide and its labeling and other material required to be submitted do not comply with the provisions of FIFRA or the regulations adopted thereunder, [he shall advise] EPA *shall be notified* of the manner in which the pesticide, labeling, or other material required to be submitted fail to comply with the provisions of FIFRA and suggest necessary corrections.

Section 54. KRS 217.574 is amended to read as follows:

Upon authorization of the state by the administrator of EPA to issue experimental use permits, the *department* [secretary] may:

(a) Issue an experimental use permit to any person applying for such permit if [he determines that] the applicant needs such permit in order to accumulate information to register a pesticide. Application for an experimental use permit may be filed at the time of, or before or after an application for registration is filed.

(b) Prescribe terms, conditions and period of time, for experimental use permit which shall be under the supervision of such person as may be designated on the permit.

(c) Revoke any experimental use permit at anytime, *upon finding* [if he finds] that its terms or conditions are being violated, or that its terms and conditions are inadequate to avoid unreasonable adverse effect on the environment.

Section 55. KRS 217.580 is amended to read as follows:

(1) The *department may* [secretary is authorized], after due notice and an opportunity for a hearing:

(a) [To] Declare as a pest any form of plant or animal life or virus, except virus, bacteria, or other micro-organisms on or in living man or other living animals, which is injurious to plants, animals, or the environment;

(b) [To] Determine whether pesticides registered under the authority of section 24(c) of FIFRA are highly toxic to man. The definition of highly toxic, as defined in title 40, code of federal regulations 162.8 as issued or hereafter amended, shall govern the *department* [secretary] in this determination;

(c) [To] Determine standards of coloring or discoloring for pesticides and to subject pesticides to the requirements for coloration or discoloration if *the department* [he] determines such requirements are necessary for the protection of health and the environment;

(d) [To] Determine pesticides, and quantities of substances contained in pesticides, which are injurious to the environment *and*[. The secretary] shall be guided by EPA regulations in this determination.

(2) The *department may* [secretary is further authorized]:

(a) [To] Effect the collection and examination of samples of pesticides and devices to determine compliance with the requirements of KRS 217.542 to 217.630, and *may* [he shall have the authority] at all reasonable hours [to] enter [into] any car, warehouse, store, building, boat, vessel or other place supposed to contain pesticides or devices for the purpose of inspection or sampling and to procure samples for analysis or examination from any lot, package or parcel of pesticides or device;

(b) [To] Publish from time to time, in such form as *it* [he] may deem proper, reports of the results of the analyses of official samples of pesticides distributed within the state;

(c) After a public hearing, [to] make appropriate regulations relating to the sale and distribution of pesticides as [he] may *be* [find] necessary for carrying out the meaning of KRS 217.542 to 217.630, *including* but not limited to:

1. The safe handling, transportation, storage, display, distribution and disposal of pesticides and their containers;

2. Labeling requirements of all pesticides required to be registered under KRS 217.542 to 217.630; Provided, that such regulations shall not impose any requirements for federally registered labels in addition to or different from those required pursuant to FIFRA; and

3. Specify classes of devices which shall be subject to the provisions of KRS 217.542 to 217.630.

(d) [To] Cooperate with, and enter into agreements with, any other agency of this state, the United States environmental protection agency, and any other state or agency thereof for the purpose of carrying out the provisions of KRS 217.542 to 217.630.

(3) For the purpose of uniformity of requirements between states and the federal government the *department* [secretary] may, after a public hearing, [and with the approval of the environmental quality commission pursuant to KRS 224.045(6)(b),] adopt regulations in conformity with the primary pesticide standards, particularly as to the labeling, registration requirements and "restricted use pesticides" as established by EPA or other federal or state agencies.

Section 56. KRS 217.600 is amended to read as follows:

The penalties provided for violations of KRS 217.542 to 217.630 shall not apply to:

(1) Any carrier while lawfully engaged in transporting a pesticide within this state, if such carrier shall, upon request, permit the *department* [secretary] or *its* [his] designated agent to copy all records showing the transactions in and movements of the pesticides or devices;

(2) Public officials of this state and of the federal government while engaged in the performance of their official duties in administering state or federal laws or regulations, or while engaged in pesticide research;

(3) The manufacturer or shipper of a pesticide for experimental use only by or under the supervision of an agency of this state or of the federal government authorized by law to conduct research in the field of pesticides; Provided, that such manufacturer or shipper hold a valid experimental permit as provided for in KRS 217.542 to 217.630 or by EPA.

(4) Any person who ships a substance or mixture of substances being put through tests in which the purpose is only to determine its value for pesticide purposes or to determine its toxicity or other properties and from which the user does not expect to receive any benefit in pest control from its use.

Section 57. KRS 217.610 is amended to read as follows:

The department [It] shall [be the duty of the secretary to] issue and enforce a written or printed "stop sale, use or removal" order to the owner or custodian of any lot of pesticide and to hold it at a designated place when *it* [the secretary] finds said pesticide is being offered or exposed for sale in violation of the provisions of KRS 217.542 to 217.630 until the law has been complied with and said pesticide is released in writing [by the secretary] or said violation has been otherwise legally disposed of by written authority; Provided, that the owner or custodian of such pesticide shall have the right to appeal from such order to a court of competent jurisdiction in the county where the said pesticide or pesticides are found, praying for a judgment as to the justification of said order, and for the discharge of such pesticide from the order prohibiting the sale in accordance with the findings of the court; and, Provided further, that the provisions of this paragraph shall not be construed as limiting the right of the enforcement officer to proceed as authorized by other provisions of KRS 217.542 to 217.630. The *department* [secretary] shall release the pesticide so withdrawn when the requirements of the provisions of KRS 217.542 to 217.630 have been complied with and upon payment of all costs and expenses incurred in connection with the withdrawal.

Section 58. KRS 217.620 is amended to read as follows:

Any lot of pesticide not in compliance with the provisions of KRS 217.542 to 217.630 shall be subject to seizure on complaint of the *department* [secretary] to a court of competent jurisdiction in the county in which said pesticide is located. In the event the court finds the said pesticide to be in violation of KRS 217.542 to 217.630 and orders the condemnation of said pesticide it shall be disposed of in any manner consistent with the quality of the pesticide and the laws of the state; Provided, that in no instance shall the disposition of said pesticide be ordered by the court without first giving the claimant an opportunity to apply to the court for release of said pesticide for permission to reprocess or relabel said product to bring it into compliance with KRS 217.542 to 217.630.

Section 59. KRS 217.625 is amended to read as follows:

The *commissioner of agriculture* [environmental quality commission] may appoint a pesticide advisory board[, with the approval of the secretary,] to advise in the promulgation of regulations and the administration of this chapter.

Section 60. KRS 217.630 is amended to read as follows:

All authority vested in the *department* [secretary] by virtue of the provisions of KRS 217.542 to 217.630 may, with like force and effect, be executed by [such] employes of the department [for natural resources and environmental protection as the secretary may from time to time designate for said purpose].

Section 61. KRS 217.640 is amended to read as follows:

Jurisdiction in all matters pertaining to the distribution, sale and transportation of pesticides is by KRS 217.540 to 217.640 vested exclusively in the *department* [secretary] and all acts and parts of acts inconsistent with KRS 217.540 to 217.640 are hereby expressly repealed including the provisions of KRS 217.400 which cover economic poisons subject to KRS 217.540 to 217.640.

Section 62. KRS 217B.020 is amended to read as follows:

This chapter shall be administered by the department *of agriculture* [for natural resources and environmental protection], hereinafter referred to as the department.

Section 63. KRS 217B.050 is amended to read as follows:

(1) The department shall administer and enforce the provisions of this chapter and [shall have authority to] issue regulations [after a public hearing, conducted pursuant to KRS 224.045,] to carry out the provisions of this chapter and in such regulations may prescribe methods to be used in the application of pesticides. Where the department finds that such regulations are necessary to carry out the purpose and intent of this chapter, such regulations may relate to the time, place, manner, and method of application of the pesticides,

may restrict or prohibit use of pesticides in designated areas during specified periods of time and shall encompass all reasonable factors which the department deems necessary to prevent damage or injury by drift or misapplication to:

(a) Plants, including forage plants, on adjacent or nearby lands;

(b) Wildlife in the adjoining or nearby areas;

(c) Fish and other aquatic life in waters in reasonable proximity to the area to be treated;

(d) Pollinating insects, animals, or persons.

(2) In issuing such regulations, the department shall give consideration to pertinent research findings and recommendations of other agencies of this state and/or of the federal government.

(3) The department may by regulation adopt a list of "restricted use pesticides" for the state or for designated areas within the state if it finds that the characteristics of such pesticides require restricting their use to prevent injury on lands other than the land to which they are applied or to persons, animals, crops, pests or vegetation other than the pests or vegetation which they are intended to destroy. For the purpose of uniformity of requirements between the states and the federal government, the department may adopt the list of "restricted use pesticides" as established by the environmental protection agency or other federal or state agencies.

(4) The department may establish additional classifications of applicator licenses as required for conformance with the Federal Environmental Pesticide Control Act of 1972. Such classifications may include private farmer applicators, commercial establishment applicators and government employe applicators not specifically mentioned in this chapter. Such regulations may specify licensing conditions, procedures and fees not to exceed those fees specified for other licensees under this chapter.

Section 64. KRS 217B.260 is amended to read as follows:

A pesticide advisory board may be appointed by the *commissioner of agriculture* [environmental quality commission with the approval of the secretary] to assist in the promulgation of regulations and the administration of this chapter.

Section 65. KRS 217B.500 is amended to read as follows:

As used in KRS 217B.505 to 217B.585 unless the context requires otherwise:

(1) "Department" shall mean the department *of agriculture* [for natural resources and environmental protection].

(2) "KPCA" shall mean Kentucky Pest Control Association, Inc.

(3) "Termite" shall mean the eastern subterranean termite, Reticulotermes flavipes (Kollar), the southeastern subterranean termite, R. virginicus Banks, or the light southeastern subterranean termite, R. hageni Banks.

(4) "Old house borer" shall mean the cerambycid beetle Hylotrupes bajalus (L.).

(5) "Powder post beetle" shall mean the beetles that damage wooden structures and are classified within the families Lyctidae, Bostrichidae or Anobiidae.

(6) "Carpenter ants" shall mean those ants that damage wooden structures and are classified within the genus Camponotus.

(7) "Carpenter bees" shall mean those bees that damage wooden structures and are classified in the genus Xylocopa.

(8) "General pests" shall mean any arthropods, mollusks, annelid worms, rodents or other pestiferous vertebrate animals, vermin or fungi, excluding those defined in subsections (3), (4), (5), (6), and (7) of this section.

(9) "Fumigation" shall mean the use of poisonous gases for the control of pests in enclosed spaces including but not restricted to structures such as box cars, warehouses, ships, barges, homes, garages and granaries.

(10) "Wood destroying organisms" shall mean those organisms that cause damage to the wood used in the construction of commercial or residential establishments including the insects defined under subsections (3), (4), (5), (6) and (7) of this section.

(11) "Structural pest control" shall mean the control of termites or pests, including the identification of infestations or infections; the making of inspections, inspection reports, recommendations; offering advice regarding control methods or sanitation procedures relative to termites and general pests; estimates, or bids, whether oral or written, with respect to such infestations; issuing contracts or submitting bids for, advertising for or performing services designated to prevent, control, repel or eliminate such infestations by the use of pesticides, mechanical devices or structural modifications under whatever name known, for the purpose of preventing, controlling and repelling wood destroying organisms and general pests in household structures, commercial buildings, and other structures (including those in all stages of construction) or the contents thereof, and outside areas, including the treatment of railroad cars, trucks, ships and airplanes or any one or any combination thereof. Excluded under this definition are textile manufacturers, cleaners or furriers who treat fabrics or furs in their place of business exclusively.

(12) "Applicant" shall mean any named natural person applying for an applicator license or a managers' license.

(13) "Applicator" shall mean the license holder for a structural pest control firm and shall be the designated natural person, within a firm, partnership, corporation, organization, association or any combination thereof, who manages or is in charge of a business of structural pest control including advertising, soliciting or performing any of the services covered under the provisions of KRS 217B.505 to 217B.585.

(14) "Manager" shall hold a managers' license and be a designated natural person within a firm who may perform the functions of an applicator but must always work under the full-time supervision of an applicator.

(15) "License" shall mean an instrument authorizing a person to act or engage in structural pest control operations as an applicator or manager. The license may be issued by the department[, and signed by the secretary of the department] upon certification of the applicant's qualification [by the department] and upon recommendation of the pest control advisory board.

(16) "Office" shall mean the point of headquarters or location of the principal operation of an applicator or a point or location from which branch offices or operations are supervised.

(17) "Branch offices" shall mean any location other than the main or home office or point of headquarters of principal operation of a firm from which structural pest control activities are carried out. The maintenance of personnel and/or where pesticides are stored and mixed (other than in service vehicles) or a point from which sales are made or solicited, or service rendered shall constitute a branch office within the meaning of KRS 217B.505 to 217B.585. Each branch office shall have a licensed manager.

(18) "Full-time supervision" shall mean the act or process whereby professional work or services are made by a competent person acting under the instructions and control of an applicator or manager who is responsible for the action of that person and who is available if and when needed even though such applicator or manager is not physically present at the time and place that professional work or services are performed.

(19) "Reserve applicator license holder" shall be that person within a designated structural pest control firm or structural fumigation firm who maintains a current applicator's license but is not the designated license holder for that firm. This license holder can become the designated license holder for said firm only in the event of the death, incapacitation or removal of the original license holder other than by bankruptcy or sale of the firm.

(20) "Board" means the pest control advisory board.

Section 66. KRS 217B.505 is amended to read as follows:

There shall be established [under the supervision of the environmental quality commission] an eight (8) member pest control advisory board which shall consist of the following members:

(1) President of KPCA or his designated representative from the KPCA board of directors.

(2) One (1) member of KPCA appointed by the governor from a list of persons in the pest control industry submitted by the KPCA, who shall be residents of the Commonwealth. This member shall serve a two (2) year term.

(3) The chairman of the University of Kentucky department of entomology or his designated representative.

(4) One (1) other member of the University of Kentucky department of entomology appointed by the chairman of the department of entomology.

(5) Two (2) members of the department appointed by the *commissioner* [secretary] of *agriculture* [the department].

(6) One (1) member appointed from the consumer protection division of the Kentucky attorney general's office appointed by the attorney general of Kentucky as a non-voting legal advisor.

(7) One (1) consumer member appointed by the *commissioner* [chairperson] of *agriculture* [the environmental quality commission]. This member shall serve a two (2) year term.

(8) Whenever a vacancy occurs on the board, that vacancy shall be filled in the manner designated in this section.

(9) At the first meeting of the pest control advisory board, a chairman, a vice chairman and a secretary shall be elected for one (1) year. They shall serve at the pleasure of the board. The chairman or the vice chairman shall preside at all meetings and vote as any other member. The secretary of the board shall maintain accurate minutes of each meeting of the board.

(10) Five (5) members of the board shall constitute a quorum and any action or order of the board shall require the presence of a quorum and the approval of a simple majority of the members present.

(11) The board shall meet on the first Thursday of alternate months beginning with January at Frankfort or such other place in Kentucky as the chairman shall direct. If the first Thursday falls on a holiday, the meeting shall take place the following Thursday. The secretary of the board shall notify members of upcoming meetings ten (10) days prior to the meeting. However, four (4) members of the board may call a special meeting of the board on ten (10) days' notice to the other members.

(12) Members of the board shall serve without compensation; however, members who are not employes of the Commonwealth shall be entitled to reimbursement by the department for actual expenses incurred in carrying out the duties of the board.

Section 67. KRS 217B.510 is amended to read as follows:

The pest control advisory board shall have the following powers and duties:

(1) To hold hearings on the denial, suspension and revocation of license pursuant to KRS 217B.545; to hold hearings on the denial of an application for a license pursuant to KRS 217B.540; and to make written recommendations for further action to the department.

(2) To review commercial structural pest control and commercial structural fumigation applicator license applications to ensure that the applicants meet state pest control licensing requirements and to make recommendations to the department.

(3) To review the state pest control licensing examinations.

(4) To assist the department in administering the licensing examinations for commercial structural pest control applicators and commercial structural fumigation applicators and to make recommendations to the department.

(5) To serve as a resource group to keep the department [and the environmental quality commission] informed of current technical advancements in the pest control industry.

(6) To recommend reasonable rules and regulations concerning the following matters:

(a) Standards of application and workmanship.

(b) Proper health and safety precautions.

(c) Requirements for standardized structural pest control contracts.

(d) Furnishing of reports and information necessary for the pest control advisory board to carry out the provisions of KRS 217B.515 to 217B.585.

Section 68. KRS 217B.585 is amended to read as follows:

It shall be the duty of the *department* [department's office of general counsel], or upon the [secretary's] request *of the commissioner of agriculture*, of the attorney general to bring an action for the recovery of the penalties provided for in KRS 217B.990(4), and to bring an action for an injunction against any person violating or threatening to violate any provision of KRS 217B.515 to 217B.575 or violating or threatening to violate any order or determination of the department promulgated pursuant thereto. In any such action any finding of the department shall be prima facie evidence of the fact or facts found therein.

Section 69. KRS 217B.990 is amended to read as follows:

(1) Any person who violates any of the provisions of this chapter or who fails to perform any duties imposed by those sections, or who violates any determination or order of the department promulgated pursuant thereto shall be liable to a civil penalty of not to exceed the sum of one thousand dollars ($1,000) for said violation, and an additional civil penalty of not to exceed one thousand dollars ($1,000) for each day during which such violation continues, and in addition, may be enjoined from continuing such violations as hereinafter provided in this section. Such penalties shall be recoverable in an action brought in the name of the Commonwealth of Kentucky by the *department* [department's office of general counsel], or upon the *department's* [secretary's] request by the attorney general.

(2) It shall be the duty of the *department* [department's office of general counsel], or upon the [secretary's] request *of the commissioner of agriculture*, of the attorney general to bring an action for the recovery of the penalties hereinabove provided for, and to bring an action for an injunction against any person violating or threatening to violate any provision of this chapter or violating or threatening to violate any order or determination of the department promulgated pursuant thereto. In any such action any finding of the department shall be prima facie evidence of the fact or facts found therein.

(3) Any person who shall willfully violate any of the provisions of this chapter or any determination or order of the department promulgated pursuant to those sections which have become final shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) or by imprisonment for a term of not more than one (1) year or by both fine and imprisonment for each separate violation. Each day upon which such violation occurs shall constitute a separate violation.

(4) Any person who violates any of the provisions of KRS 217B.515 to 217B.585 or who fails to perform any duties imposed by those sections, or who violates any determination or order of the department promulgated pursuant thereto shall be liable to a civil penalty of not to exceed the sum of one thousand dollars ($1,000) for said violation, and an additional civil penalty of not to exceed one thousand dollars ($1,000) for each day during which such violation continues, and in addition, may be enjoined from continuing such violations as provided for in KRS 217B.585. Such penalties shall be recoverable in an action brought in the name of the Commonwealth of Kentucky by the *department* [department's office of general counsel], or upon the *department's* [secretary's] request by the attorney general.

(5) Any person who shall willfully violate any of the provisions of KRS 217B.515 to 217B.585 or any determination or order of the department promulgated pursuant to those sections which have become final shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) or by imprisonment for a term of not more than one (1) year or by both fine and imprisonment for each separate violation. Each day upon which such violation occurs shall constitute a separate violation.

Section 70. KRS 227.205 is amended to read as follows:

The department of housing, buildings, and construction (hereinafter referred to as the department of housing) is hereby created within the cabinet for public protection and regulation. The department shall be headed by a commissioner appointed by the governor subject to the provisions of KRS 12.040 and who shall report to the secretary of the cabinet for public protection and regulation. The office of the commissioner shall also include a deputy commissioner and *an* executive assistant to the commissioner, who shall be the policy making assistants to the commissioner and shall be appointed pursuant to KRS 12.050. The department shall consist of the division of fire prevention, *the division of building codes enforcement, the division of administrative services* and the division of plumbing.

Section 71. KRS 227.220 is amended to read as follows:

(1) The state fire marshal shall enforce or aid in the enforcement of all laws, regulations and ordinances of the state and its political subdivisions relating to fire loss as herein defined:

(a) The prevention or reduction of loss by fire or by other hazard or risk insured by property or casualty insurance companies doing business in this state, except as to disability insurance and workmen's compensation, and shall enforce any other regulations or methods adopted for the prevention of loss from such hazards or risks in order to promote the safety of persons or property;

(b) The manufacture, transportation, storage, sale or use of combustibles, explosives and hazardous materials or equipment;

(c) The design, construction, and maintenance of property which has a direct bearing on safety to life and property;

(d) The construction, installation, maintenance or equipment of fire alarm systems, fire protection and extinguishing equipment, and fire escapes and other means of access to or exit from property;

(e) Arson and related offenses.

(2) *The chief state building official shall enforce and administer all applicable provisions of the Kentucky building code, including all the provisions designed for the prevention of fire loss and shall have all the powers and duties awarded to said official by KRS Chapter 198B and the Kentucky building code.*

(3) The state fire marshal is authorized to:

(a) Investigate the cause, origin, and circumstances of fires and explosions for the purpose of detecting and suppressing arson and related offenses, or for the purpose of minimizing or preventing fire loss;

(b) Supervise and make periodic inspections of all property within the state, and assist cities having fire departments in making like periodic inspections of all property in such cities, except occupied private dwellings;

(c) Make and enforce reasonable summary orders and orders in accordance with KRS 227.330 for the prevention of fire loss, and for the adoption, approval, and installation of such safety measures, remodelling and equipment as will minimize fire loss;

(d) Provide technical and engineering advice and assistance to state and local governmental agencies in relation to fire prevention or fire protection;

(e) Direct and assist owners of educational institutions, places of public assembly, institutional buildings, public buildings, factories, business buildings, or other places where persons congregate, in the instruction of fire prevention, and the holding of fire drills;

(f) Conduct fire prevention and educational campaigns;

(g) Conduct examinations into the cause, origin, or circumstances of fire losses;

(h) Hold such hearings as he may deem necessary or desirable as to any matter within the scope of this chapter;

(i) Direct research in the field of fire protection and accept gifts and grants for such purposes;

(j) Recommend curricula for advanced courses and seminars in fire science training in colleges and institutions of higher education.

Section 72. KRS 235.010 is amended to read as follows:

As used in this chapter unless the context clearly requires a different meaning:

(1) "Vessel" means every description of watercraft, other than a seaplane on the water, used or capable of being used as a means of transportation on water;

(2) "Motorboat" means any vessel propelled by machinery, whether or not such machinery is the principal source of propulsion;

(3) "Owner" means a person, other than a lienholder, having the property in or title to a motorboat. The term includes a person entitled to the use or possession of a motorboat subject to an interest in another person, reserved or created by agreement and securing payment or performance of an obligation, but the term excludes a lessee under a lease not intended as security;

(4) "Waters of this state" means any waters within the territorial limits of this state;

(5) "Person" means an individual, partnership, firm, corporation, association, or other entity;

(6) "Operate" means to navigate or otherwise use a motorboat or a vessel;

(7) "Department" means the department of transportation;

(8) "Bureau" means the bureau of *state police, department of justice* [vehicle regulation within the department of transportation];

(9) "License" and "certificate of number" as used herein are synonymous;

(10) "Clerk" means circuit court clerk;

(11) "Division of water enforcement" means the water enforcement section, bureau of state police;

(12) "Division of driver licensing" means the licensing division, bureau of vehicle regulation, department of transportation.

Section 73. KRS 235.020 is amended to read as follows:

(1) The head of the division of water enforcement shall be appointed by the commissioner of the bureau of *state police* [vehicle regulation] with the concurrence of the secretary of *justice* [transportation].

(2) The division of water enforcement shall be authorized to employ necessary personnel to carry out the functions assigned to the division in this chapter.

Section 74. KRS 235.030 is amended to read as follows:

This chapter shall be known as the state boating act and shall be administered by the *division* [divisions] of water enforcement, *bureau of state police* and *the division of* driver licensing within the bureau of vehicle regulation.

Section 75. KRS 235.080 is amended to read as follows:

(1) The annual registration fee for motorboats shall be based upon the following:

1 foot through 15 feet 11 inches	$ 5.00
16 feet through 25 feet 11 inches	7.00
26 feet through 39 feet 11 inches	10.00
40 feet and over	12.00
All inboards and inboard/outboards	12.00

Every application shall be accompanied by the registration fee above set out.

(2) The annual registration fee for motorboats for hire from a livery shall be the registration fees set forth in subsection (1) above. Owners of a livery shall apply for licenses or certificates in the manner provided in this chapter, but the *department* [bureau] may promulgate special rules and regulations relating to their certification and registration.

Section 76. KRS 235.100 is amended to read as follows:

Upon receipt of the clerk's report and copies of the applications, the *department* [division] shall cause each of said applications to be entered upon the records of its office and shall issue to the applicant a certificate of number stating the number awarded to the motorboat, the name and address of the owner, and any other information prescribed by the *department* [division].

Section 77. KRS 235.110 is amended to read as follows:

(1) The owners shall cause to be painted on or attached to each side of the bow of the motorboat the identification number in such manner as may be prescribed by rules and regulations of the *department* [division] in order that it may be clearly visible. The number shall be maintained in a legible condition. The certificate of number shall be pocket size and shall be available at all times for inspection on the motorboat for which issued, whenever such motorboat is in operation, except as provided in KRS 235.230.

(2) All numbers placed upon the bow of a motorboat subject to this numbering system shall be:

(a) Painted on, or attached to, each side of the bow (i.e. the forward half) of the vessel;

(b) Read from left to right;

(c) And in such position as to provide maximum visibility;

(d) In block letters of good proportion not less than three (3) inches in height;

(e) Have spaces that are equal to the width of a letter other than "I" or a number other than "1" between the letter and the number groupings (Example: KY 1234 A);

(f) Of a color which will contrast with the color of the background (i.e. dark numbers on a light background) and so maintained as to be clearly visible and legible.

(3) No number other than the number awarded to a motorboat or granted reciprocity pursuant to this chapter shall be painted, attached, or otherwise displayed on either side of the bow of such motorboat.

Section 78. KRS 235.190 is amended to read as follows:

(1) Any holder of a certificate of number shall notify the department within fifteen (15) days if his address no longer conforms to the address appearing on the certificate and shall, as a part of such notification, furnish the department with his new address. The division of *driver licensing* [water enforcement] may provide in its rules and regulations for the surrender of the certificate bearing the former address and its replacement with a certificate bearing the new address or for the alteration of an outstanding certificate to show the new address of the holder.

(2) Any holder of a certificate shall give notice to the division of *driver licensing* [water enforcement] within fifteen (15) days of the theft or recovery of a vessel to which he is the holder of the certificate of number.

Section 79. KRS 235.210 is amended to read as follows:

(1) A motorboat shall not be required to be numbered under this chapter if it is:

(a) Already covered by a number in full force and effect which has been awarded to it pursuant to federal law or a federally approved numbering system of another state; Provided, That such boat shall not have been within this state for a period in excess of sixty (60) consecutive days;

(b) A motorboat from a country other than the United States temporarily using the waters of this state;

(c) A motorboat whose owner is the United States, a state or a subdivision thereof, except when such boat is leased to the public for compensation it must be registered according to KRS 235.080(2);

(d) A ship's lifeboat used or intended to be used as such;

(e) A motorboat belonging to a class of boats which has been exempted from numbering by the department after said agency has found that the numbering of motorboats of such class will not materially aid in their identification; and, if an agency of the federal government has a numbering system applicable to the class of motorboats to which the motorboat in question belongs, after the *department* [division] has further found that the motorboat would also be exempt from numbering if it were subject to the federal law.

(2) Boats exempt from registration may be required by the department to apply for an official identification number to be displayed in accordance with KRS 235.110.

Section 80. KRS 235.280 is amended to read as follows:

The division of water enforcement, with the approval of the commissioner of the bureau of *state police* [vehicle regulation], shall promulgate rules and regulations to govern the fair, reasonable, equitable and safe use of all waters of this state.

Section 81. KRS 235.310 is amended to read as follows:

The commissioner of *state police* [vehicle regulation] shall designate officers and employes of the bureau to enforce the provisions of this chapter and such officers when duly authorized by the commissioner shall have the general powers of a peace officer for the enforcement of other offenses against the Commonwealth. In enforcing the provisions of this chapter such officers and all other peace officers of the Commonwealth and its subdivisions shall have the right to enter upon all waters of this state, either private or public, for the purpose of inspecting certificate of registration and boat numbering, and shall have the right to enter upon all boats on such waters for the purpose of examining their registration documents. They may arrest on sight, without warrant, any person detected by them in the act of violating any of the provisions of this chapter. They shall have the same rights as sheriffs to require aid in arresting, with or without process, any person found by them violating any of the provisions of this chapter or other offenses against the Commonwealth.

Section 82. KRS 235.320 is amended to read as follows:

The division of water enforcement, *with approval of the commissioner of state police, and the division of driver licensing*, with the approval of the commissioner of the bureau of vehicle regulation, may promulgate any rules and regulations not inconsistent herewith to carry out the purposes of this chapter.

Section 83. KRS 235.410 is amended to read as follows:

As used in KRS 235.410 to *235.480* [235.470], unless the context clearly indicates otherwise, the following words shall have the following meanings:

(1) "Motorboat" means any vessel propelled by machinery, whether or not such machinery is the principal source of propulsion, but shall not include a vessel which has a valid marine document issued by the bureau of customs of the United States government or any federal agency successor thereto;

(2) "Vessel" means every description of watercraft, other than a seaplane on the water, used or capable of being used as a means of transportation on water;

(3) "Person" or "persons" means any individual, public or private corporation, political subdivision, government agency, municipality, industry, copartnership, association, firm, trust, estate, or other entity whatsoever;

(4) "Sewage" means the water-carried human or animal wastes from residences, buildings, industrial establishments, vessels, or other places, together with such industrial wastes, underground, surface, storm or other water, as may be present;

(5) "Industrial wastes" means liquid, or other wastes resulting from any process of industry, manufacture, trade or business, or from the development of any natural resource;

(6) "Other wastes" means sawdust, bark or other wood debris, garbage, refuse, ashes, offal, tar, oil, chemicals, acid drainage and all other foreign substances not included within the above definitions of industrial wastes and sewage which may cause or contribute to the pollution of any waters of the Commonwealth;

(7) "Department" means the department of justice, and the water safety enforcement program of the bureau of state police.

Section 84. KRS 246.030 is amended to read as follows:

The department shall consist of:

(1) The commissioner;

(2) The board of agriculture;

(3) The state fair board;
(4) The division of markets;
(5) The division of weights and measures;
(6) The board of veterinary examination;
(7) The division of pest and noxious weed control; [and]
(8) The division of statistics *and export;*
(9) The division of pesticides; and
(10) The exposition management division.

Section 85. KRS 336.510 is amended to read as follows:

As used in KRS 336.520 to 336.680, unless the context otherwise requires:

(1) "Elevator" means all the machinery, construction, apparatus, and equipment used in raising and lowering a car, cage, or platform vertically between permanent rails or guides, and includes all elevators, power dumbwaiters, escalators, gravity elevators, and other lifting or lowering apparatus permanently installed between rails or guides, but does not include hand operated dumbwaiters, manlifts of the platform type with a platform area not exceeding nine hundred square inches, construction hoists, or other similar temporary lifting or lowering apparatus.

(2) "Passenger elevator" means an elevator that is designed to carry persons to its contract capacity.

(3) "Freight elevator" means an elevator used for carrying freight and on which only the operator, by the permission of the employer, is allowed to ride.

(4) "General inspector" means a state inspector examined and hired to inspect elevators for the [state labor] department *of housing, buildings and construction.*

(5) "Special inspector" means an inspector examined and certified by the department to inspect elevators in the state.

(6) "Inspector" means either a general or special inspector.

(7) "Department" means the department of *housing, buildings and construction* [labor].

(8) "Certificate of operation" is a certificate issued by the department authorizing the operation of an elevator which must be conspicuously posted on the elevator at all times.

Section 86. KRS 336.520 is amended to read as follows:

(1) No person may act either as a general inspector or as a special inspector of elevators unless he holds a certificate of competency from the department [of labor].

(2) Application for examination as an inspector of elevators shall be in writing, accompanied by a fee of $10.00, upon a blank to be furnished by the department, stating the school education of the applicant, a list of his employers, his period of employment, and the position held with each. An applicant shall also submit a letter from one or more of his previous employers certifying as to his character and experience.

(3) Applications shall be rejected which contain any willful falsification or untruthful statements. Such applicant, if the department deems his history and experience sufficient, shall be tested by means of a written examination dealing with the construction, installation, operation, maintenance, and repair of elevators and their appurtenances, and the applicant shall be accepted or rejected on the merits of his application and examination.

(4) The department shall issue a certificate of competency in the inspection of elevators to any applicant found competent upon examination. A rejected applicant shall be entitled, after the expiration of ninety days, and upon payment of an examination fee of $10.00, to another examination. Should an applicant fail to pass the prescribed examination on second trial, he will not be permitted to be an applicant for another examination for a period of one year after the second failure.

Section 87. KRS 336.530 is amended to read as follows:

(1) The department [of labor] shall administer all aspects of the state elevator inspection program.

(2) The program shall be directed by a person with at least five years' experience in the construction, installation, maintenance, and repair of elevators and their appurtenances.

(3) The commissioner of *housing, buildings and construction* [labor] may appoint and hire from the holders of certificates of competency no more than five general inspectors of elevators.

Section 88. KRS 336.560 is amended to read as follows:

If a certificate is lost or destroyed a new one shall be issued in its place by the department [of labor] without another examination, upon the payment of a fee of $1.00.

Section 89. KRS 336.620 is amended to read as follows:

The commissioner of *housing, buildings and construction* [labor] shall make, alter, amend, and repeal rules and regulations exclusively for the safety and inspection of passenger elevators[, and in no way relating to the construction of such elevators]. The commissioner shall have the authority to prescribe, by regulation, the fee to be charged for each inspection. All fees established and regulated by this section shall be payable to the department [of labor] except as may be provided in a specific written agreement between the commissioner and any agency authorized to inspect elevators by the provisions of this chapter.

Section 90. KRS 344.515 is amended to read as follows:

The commission on women and its subcommittees, task forces, advisory committees, and other associated bodies [are hereby transferred from the department for human resources and] shall be an independent agency *attached to the governor* [under the secretary of the cabinet. The secretary of the executive department for finance and administration shall transfer funds appropriated to the department for human resources for the functions of the commission on women to the commission on women].

Section 91. KRS 431.240 is amended to read as follows:

(1) Unless the execution is stayed by due process of law or under authority of subsection (2) of this section, the superintendent of the penitentiary or his deputy shall proceed, on the day and at the place named in the judgment of conviction, to cause the condemned person to be electrocuted. The execution shall take place before sunrise on the day designated in the judgment.

(2) If the condemned person is insane or pregnant with child on the day designated for the execution, the execution shall be suspended until the condemned is restored to sanity or is delivered of child. The execution shall then take place under the warrant of the governor and at the time designated by him, unless stayed by due process of law. If execution is suspended on the ground of insanity, the commissioner of corrections may[, after an examination as provided in KRS Chapter 202A,] transfer the condemned person to [one of] the state *forensic psychiatric facility operated by the bureau of corrections* [institutions for the treatment of the mentally afflicted,] until such time as he is restored to sanity.

(3) If the condemned person escapes from custody and is recaptured after the expiration of the date fixed for the execution, the governor, upon receiving written notice of the recapture from the superintendent of the penitentiary, shall send his warrant of execution to the superintendent by special messenger and shall name therein the day of execution. The superintendent shall then proceed to the execution thereof according to the provisions of KRS 431.215 to 431.270.

(4) Whenever a judgment of death has not been executed on the day appointed therefor by the court, from any cause whatever, the governor, by a warrant under his hand and the seal of the Commonwealth, shall fix the day of the execution, which warrant shall be obeyed by the superintendent of the penitentiary.

Section 92. The reviser of statutes shall make all changes in the Kentucky Revised Statutes necessary and appropriate to carry out the intent of executive order 78-923 relating to the department of finance and specifically whenever the following language appears in the presently existing statutes, either expressly, implied or by words of reference, the language shall be changed by the reviser of statutes to read as follows:

1. "Executive department for finance and administration" to "department of finance," and specifically the reviser of statutes shall make such changes when such language appears in KRS Chapters 6, 11, 12, 15, 16, 18, 21, 23, 27, 28, 29, 36, 39, 41, 42, 43, 44, 45, 45A, 46, 56, 57, 58, 61, 64, 65, 66, 68, 69, 77, 91, 93, 96, 104, 107, 125, 131, 133, 135, 138, 140, 142, 147A, 147B, 148, 149, 152, 153, 154, 156, 157, 164, 168, 171, 176, 177, 180, 183, 186, 189, 196, 197, 198A, 206, 210, 211, 215, 216, 224, 243, 248, 257, 276, 278, 322, 330, 341, 342, 421, 424, 433, 434, and any other chapter.

2. "Commissioner" or "secretary" of the "executive department for finance and administration" to "secretary of the department of finance," and specifically the reviser of statutes shall make such changes when such language appears in KRS Chapters 6, 8, 11, 12, 14, 16, 18, 21, 25, 28, 40, 41, 42, 43, 44, 45, 45A, 56, 57, 58, 61, 62, 64, 66, 69, 107, 127, 148, 149, 150, 152, 154, 156, 158, 164, 171, 176, 196, 198A, 199, 206, 208, 210, 216, 246, 258, 287, 293, 317, 341, 342, 424, 453 and any other chapter.

Section 93. The general assembly confirms the reorganization of agencies and statutory administrative departments effected by executive orders to the extent that such reorganizations are not otherwise confirmed by this Act, as follows:

(1) Department of transportation.

(a) Abolished division of inspections (executive order 78-631);

(b) Abolished division of contract compliance (executive order 78-642);

(c) Created division of property and supply, fusing two existing divisions and transferring a design program to the bureau of highways, division of design (executive order 79.355);

(d) Transferred highway and water law enforcement functions to the bureau of state police, and reassigned division of hearings office to the department's office of general counsel (executive order 80-84).

(2) Department of justice.

(a) Transferred forensic psychiatric hospital from department for human resources to the bureau of corrections (executive order 78-683);

(b) Created division of psychiatric services in the bureau of corrections (executive order 79-1184);

(c) Assigned secretary of justice as governor's agent to administer special local peace officer program (executive order 78-520);

(d) Reorganized the bureau of training (executive order 78-506);

(e) Reorganized the Kentucky crime commission (executive order 78-86);

(f) Reorganized the department of justice (executive order 79-541);

(g) Reorganized the executive office of staff services and created the communications advisory committee (executive order 79-93);

(h) Created a division of safety and compliance, bureau of state police, fusing three (3) divisions (executive order 80-125).

(3) Department for human resources.

(a) Established a division of child support enforcement, bureau for social insurance (executive order 78-825);

(b) Reorganized the bureau for health services (executive order 78-826);

(c) Created a division for aging services, bureau for social services (executive order 89-1042);

(d) Reorganized the bureau for social services (executive order 79-106);

(e) Established the statewide health coordinating council (executive order 79-920);

(f) Established a state employment and training council (executive order 79-980).

(4) PUblic protection and regulation cabinet.

(a) Established administrative structure of the energy and utility regulatory commissions (executive order 79-911).

(5) Department of energy - departmental reorganization (executive order 78-486).

(6) Department of finance - fused all authority for real property acquisition, except for highway right-of-way purposes, in the department (executive order 78-682).

(7) Department of law - established organizational structure (executive order 79-1180).

(8) Department of revenue.

(a) Assigned administration of Kentucky wastewater revolving fund to the department (executive order 78-835);

(b) Reorganized the department, creating two bureaus and various offices, positions and divisions (executive orders 80-94 and 80-1200.

(9) Department of personnel.

(a) Internal reorganization (executive order 79-1016);

(b) Established governor's executive management commission (executive order 80-62).

(10) Department of agriculture - renamed the division of statistics and export and authorized department to incur export promotional expenses (executive order 79-1040).

(11) Department for natural resources and environmental protection - reorganized the secretary's office (executive order 78-819).

(12) General government.

(a) Created animal diagnostic laboratory advisory committee (executive order 78-289);

(b) Defined management structure of state fair board (executive order 79-1124);

(c) Abolished office of inter-agency relations, state regional council, government structures commission, governor's task force on state parks development, citizens' task force on education, and secretary of the cabinet (executive order 79-1);

(d) Established a travel assistance board, attached to the department of law (executive orders 79-1202 and 80-131);

(e) Expanded the great river road commission (executive order 78-419);

(f) Established internal structure of the Department of Tourism (executive order 79-479).

Section 94. The following executive orders are not submitted for ratification pursuant to KRS 12.025 and are declared void as of the effective date of this Act:

(1) Executive order 78-579 which reassigned the parole board to the department of justice.

(2) Executive order 78-313 which established a division of services in the department of labor.

(3) Executive order 78-672 which established a division of management information services within the department of labor.

(4) Executive order 78-580 which assigned energy conservation design requirement to the division of fire prevention, department of housing.

(5) Executive order 78-392 which established the office to inter-agency affairs (voided by executive order 79-1).

(6) Executive order 78-714 which established a governor's study commission on travel agents and agencies.

(7) Executive order 79-300 which established the interim structure of the energy and utility regulatory commissions (voided by executive order 79-911).

(8) Executive order 79-951 which assigned the Kentucky cancer commission to the secretary of the cabinet.

(9) Executive Order 79-1141 which established a division of rail within the department of transportation.

Section 95. The following sections of the Kentucky Revised Statutes are repealed:

12.275 Judicial advisory council established.

165A.010 Definitions for KRS 165A.020 to 165A.050.

165A.020 State commission for postsecondary education.

165A.030 Duties of commission.
165A.040 Commission membership — Terms — Meetings.
165A.050 State agencies to cooperate.
247.425 Division of developmental services established within governor's council on agriculture.
247.427 Kentucky farmers advocate's office — Staff — Compensation — Duties — Records.

Section 96. KRS 281.755 is amended to read as follows:

The commissioner and representatives of the bureau of *state police* [vehicle regulation] may at any time or place make an inspection of any motor vehicle operating under the provisions of this chapter. They may enter into and upon any such motor vehicle for the purpose of ascertaining whether or not any provision of this chapter or any order or rule or regulation of the bureau relating to such motor vehicles has been violated. Wilful refusal to stop any such motor vehicle, when ordered to do so by any representative of the bureau, or to permit the representative to enter into or upon the motor vehicle for the purpose of inspection, shall be sufficient ground for the revocation or suspension of the certificate or permit of the motor carrier.

Section 97. KRS 281.770 is amended to read as follows:

(1) The commissioner [In addition to all other enforcement agencies , the], bureau of *state police,* [vehicle regulation] is hereby authorized to issue commissions to [its] employes *of the bureau* as law enforcement officers, and such employes when so commissioned shall have all the powers of peace officers in respect to the enforcement of this chapter [and KRS chapter 235] and all the statutes *and regulations* relating to [boats and boating and] motor vehicles[, whether such vehicles be] operated as [a] private [carrier] or for-hire carrier*s*.

(2) Peace officers commissioned as provided herein may be assigned additional duties in enforcing other provisions of law for specified limits of time during an emergency or time of special needs as determined by the commissioner in his discretion.

The Committee Amendment No. 1 to **SB 376** is as follows:

Amend printed copy of **SB 376** on page 143, by inserting the following after line 8:

"Section 98. KRS 56.800 is amended to read as follows:

The [executive] department [for] *of* finance [and administration] shall be responsible for the lease of all real property rentals required for use by all [branches,] departments [and] , agencies *and administrative bodies* of the state government *listed in KRS Chapter 12*, and no lease of real property shall be binding against the Commonwealth or any *such* agency [thereof] unless made and entered into as provided in KRS 56.800 to 56.820.

Section 99. KRS 56.804 is amended to read as follows:

(1) Newspaper advertisements soliciting proposals for the lease of space by the Commonwealth shall not be required if space suitable to the needs of the agencies for whose use space is sought is determined to be available for lease in a building owned by the federal government, by a political subdivision or municipal corporation of this state, or if the space is required as a result of a bona fide emergency as defined in subsection (2) of this section.

(2) A bona fide emergency, authorizing dispensation of newspaper advertisements for leased space, shall be deemed to exist only in cases where the head of an agency already occupying leased premises certifies in writing to the secretary of the executive department for finance and administration that:

(a) The leased premises have been damaged or destroyed by fire, windstorm or other casualty; or

(b) The leased premises are found to be in violation of regulations of the Kentucky occupational health and safety commission and such violations cannot be remedied within thirty (30) days after the issuance of a citation to the lessor of the premises; or

(c) The leased premises are found to be unsafe or unfit for occupancy due to any condition constituting a violation or infraction of fire or health laws and regulations and cannot be made safe within a reasonable time; or

(d) The necessity for leased premises arises from the enactment or adoption of federal legislation or regulations or state legislation, the effective date of which mandates commencement of programs to be housed in leased space before there is time for space to be acquired by advertisement; and,

(e) The agency's functions will be impaired or have to be discontinued unless other quarters to house the agency's operations are immediately located and occupied by the agency.

(3) Upon receipt *by the department of finance* of certification of the existence of any of the foregoing conditions [by], the department[, the bureau of public properties] shall take such action as may be deemed appropriate to locate and negotiate for the lease of space meeting the certifying agency's reasonable needs. [No lease by the state of any real property under conditions deemed of an emergency nature by the heads of the several branches, departments or agencies of the state government shall be binding against the state

unless approved by the governor] *Except as provided in this section, the lease of any real property for the use of any state agency under any other conditions deemed of an emergency nature by the head of such agency shall be authorized only with the express written approval of the governor.*

SECTION 100. A NEW SECTION OF KRS CHAPTER 56 IS CREATED TO READ AS FOLLOWS:

The secretary of the department of finance shall provide by regulations adopted pursuant to the provisions of KRS Chapter 13, for the manner of calculating the compensation to persons leasing real property to the Commonwealth under this chapter, and for the negotiation of any modifications or changes in the terms and conditions of any such leases as may be determining by the secretary to be needed in the best interests of the Commonwealth.

SECTION 101. KRS 56.808, Modification of Lease; and KRS 56.810, Calculation of amount of rent, are hereby repealed.

SECTION 102. Whereas pursuant to the provisions of KRS Chapter 56, and of the terms and conditions of various Agreements of Lease between the Commonwealth and property owners, said Agreements of Lease are required to be renewed as of the end of the current biennial fiscal period, and whereas it appears to the General Assembly that the provisions of this Act will facilitate the renewal of said Leases, and emergency is declared to exist pursuant to Section 55 of the Kentucky Constitution, and Sections 98, 99, 100 and 101 of this Act shall become effective upon signing by the governor."

The Committee Amendment No. 2 to **SB 376** is as follows:

Amend printed copy of **SB 376** on page 20, line 25, by inserting after "bondholders." the following:

"*The issuance of any revenue bonds for the state or any of its agencies by the Kentucky Development finance authority and the issuance of any revenue bonds for economic development projects authorized by 1980 House Bill 931 shall require the prior approval of the state property and buildings commission.*"

The Committee on Transportation reported **SB 329** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Consent Calendar.

SB 329, AN ACT relating to operators' licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.411 is amended to read as follows:

Whenever a person with *a seizure* [an epileptic] condition applies for a driver's license, or applies for a renewal of a driver's license, he shall *be requested by the department to* present to the division of driver licensing certification by a physician that his condition is controlled by drugs, a detailment of the drugs and dosages of same which the person takes, his own statement that he has been free of any seizures for *ninety (90) days* [one year] before the date of the application, and that he is taking the medication prescribed by his physician. The division *shall upon receipt of such documentation* [will then] issue him a letter of authorization to present to the circuit court clerk.

(2) Any person who has a seizure condition who cannot present the certification that his condition is controlled by drugs or a statement that he has been seizure free for ninety (90) days shall be notified in writing by the department of his right to have a hearing on the matter of whether he is an unsafe driver as a result of having the seizure condition. Such notice shall be mailed by first class mail to the last known address of the person. Such hearing shall be automatically waived if not requested within twenty (20) days after the department mails notice. The hearing shall be scheduled as early as practical within not to exceed twenty (20) days after receipt of such request at a time and place designated by the department.

(3) Any physician shall not be subject to civil or criminal liability, absent a showing of bad faith, for providing any reports, records, examinations, opinions, or recommendations pursuant to this Act.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 1 to **SB 364,** by Representative Morris:

Amend printed copy of **SB 364** on page 1, line 9, by deleting "*Court of Justice*" and inserting in lieu thereof "*Office of the Circuit Court Clerk*"; and

on page 1, line 10, by adding the following: "*within two (2) years after completion of such facility changes, the circuit clerk in any county receiving the state payment provided by the section shall insure that the number of persons employed within the circuit clerks office shall not exceed 264.*

Floor Amendment No. 2 to the Committee Substitute to **SB 277,** by Representative Barrows:

Amend printed copy of Committee Substitute for **SB 277** on page 8, lines 23-25, by deleting subsection (4) in its entirety.

Floor Amendment No. 1 to the Committee Substitute to **SB 31,** by Representative Barrows:

Amend printed copy of Committee Substitute for **SB 31** on page 7, lines 22 through 26 by deleting them in their entirety;

and on page 8, lines 1 and 2, by deleting them in their entirety.

Floor Amendment No. 1 to the Committee Substitute to **SB 249,** by Representative B. Richardson:

Amend printed copy of Committee Substitute to **SB 249** on page 32, line 8, after the word "appointment," insert the following "and the name and address of the attorney representing the fiduciary, if any,".

Floor Amendment No. 2 to **SB 315,** by Representative O'Brien:

Amend printed copy of **SB 315** on page 3, following line 2, by inserting the following:

"Section 7. If any provision of this Act or the application thereof is held invalid, the entire Act shall be invalid, and to this end the provisions of this Act are not severable."

Floor Amendment No. 3 to **SB 315,** by Representative O'Brien:

Amend printed copy of **SB 315** on page 1, lines 11-13, by deleting the words "which are part of urbanized areas with populations greater than two hundred thousand (200,000)"; and

on page 1, line 26, by deleting "fif-"; and

on page 2, line 1, by deleting the words "teen (15) members, with ten (10)"; and

on page 2, line 2, by deleting the words "Jefferson County and"; and

on page 2, by deleting lines 3-4 in their entirety, and by inserting the following in lieu thereof: "the affected counties, with one representative from a county for each seventy five thousand (75,000) persons residing in the county, except that each affected county shall have at least one representative; and

on page 2, lines 11-13, by deleting the words "which are part of urbanized areas with a population greater than two hundred thousand (200,000)".

Floor Amendment No. 2 to **SB 19,** by Representative Morris:

Amend printed copy of **SB 19** on page 3, line 17, delete in their entirety lines 17 through 26;

and on page 4, line 1, beginning on line 1, delete all the words through the comma on line 14;

and on page 4, line 14, capitalize the word "city" and place the number "(1)" before the word city;

and on page 4, line 24, delete the number "(3)" and insert in lieu thereof the number "(2)" and after the number delete all the words through the comma on line 25.

Floor Amendment No. 1 to **HB 483,** by Representative Cyrus:

Amend printed copy of **HB 483** on page 1, line 20, after "employee" add *within the same establishment.*

and on page 4, line 17, delete "or past practice".

Floor Title Amendment to **SB 14,** by Representative Heleringer:

Amend printed copy of **SB 14** on page 1, the title is amended to read as follows: "AN ACT relating to discrimination in employment".

Floor Amendment No. 1 to **SB 14,** by Representative Heleringer:

Amend printed copy of **SB 14** on page 2, after line 4, add the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 344 IS CREATED TO READ AS FOLLOWS:

(1) An employer, public or private, may not discharge an employe for the sole reason that he marries or plans to marry a co-employe, unless there are justifiable grounds for said discharge other than the existence of the marriage or plans for marriage to one another.

(2) If an employer discharges an employe in violation of subsection (1) of this section, the employe may obtain injunctive relief.

(3) This section shall not supercede any provisions related to marriage of co-employees contained in any collective bargaining agreement.

(4) This section shall not apply where an employer has given notice to any prospective applicant for employment that marriage of co-employees is not allowed."

Floor Title Amendment to **SB 246,** by Representative Hancock:

Amend printed copy of **SB 246** on page 1, by deleting the title and inserting in lieu thereof the following: "AN ACT relating to motor vehicles."

Floor Amendment No. 3 to **SB 332,** by Representative Holbrook:

Amend printed copy of **SB 332** on page 1, line 1, after the word "repealed" insert the following: ", *AMENDED*";

and on page 1, line 5, by deleting "county, state", and between "Federal" and "or" by inserting the following: "*Aid Primary Road*";

and on page 1, line 9, by deleting "five (5)" and substituting therefore "*ten (10)*".

Floor Amendment No. 1 to **SB 152,** by Representative Hancock:

Amend printed copy of **SB 152** on page 1, line 10, by inserting after "absent" the words ", except that no employer shall be required to grant an employe a leave of absence with pay".

Floor Amendment No. 1 to **SB 362,** by Representative Weinberg:

Amend printed copy of **SB 362** on page 8, by adding after line 3 the following:

"Section 4. KRS 61.552 is amended to read as follows:

(1) Any employe of a department participating in the Kentucky employes retirement system, or any employe of an agency participating in the county employes retirement system, or any member of the state police retirement system, or any active contributing member of the teachers' retirement system or a contributing member of the judicial retirement system or an employe of a parted employer whose employment has previously been terminated and who has been refunded his accumulated contributions, thereby losing service

credit, may regain such credit by paying to the system from which he received the refund or refunds the amount or amounts refunded with interest at a rate determined by the board of the respective retirement system provided, however, the provisions of KRS 161.470 must be met in order to regain such credit in the teachers' retirement system and provided further that KRS 21.460 shall govern with respect to regaining credit in the judicial retirement system. Such payment including interest as determined by the board shall be deposited to the member's contribution account and considered as accumulated contributions of the individual member.

(2) Any employe of a county participating in the county employes retirement system or any former county employe who is an employe of a participating department in the Kentucky employes retirement system or a contributing member of the state police retirement system, teachers' retirement system, or judicial retirement system who did not elect membership in the county employes retirement system as provided in subsection (2) of KRS 78.540 may obtain credit in the county employes retirement system for prior service and for current service by paying to the county employes retirement system a delayed contribution payment for the service he would have received had he elected membership.

(3) Any employe of a participating department or any former state employe who is an employe of a county participating in the county employes retirement system or a contributing member of the state police retirement system, teachers' retirement system or judicial retirement system who did not elect membership in the Kentucky employes retirement system as provided in subsection (2) of KRS 61.525 may obtain credit in the Kentucky employes retirement system for prior service and for current service by paying to the system a delayed contribution payment for the service he would have received had he elected membership.

(4) An employe of a participating department which did not participate in the system effective July 1, 1956, or any former state employe who is an employe of a county participating in the county employes retirement system or a contributing member of the state police retirement system, teachers' retirement system or judicial retirement system may obtain credit in the Kentucky employes retirement system for current service between July 1, 1956, and the effective date of participation of his department by paying to the system a delayed contribution payment for the service he would have received had his department participated on July 1, 1956.

(5) An employe of a county participating in the county employes retirement system which did not participate in the system effective July 1, 1958, or any former county employe who is an employe of a department participating in the Kentucky employes retirement system or a contributing member of the state police retirement system, teachers' retirement system or judicial retirement system may obtain credit in the county employes retirement system for current service between July 1, 1958, and the effective date of participation of his county by paying to the county employes retirement system a delayed contribution payment for the services he would have received had his county participated on July 1, 1958.

(6) Effective January 1, 1975, service credit obtained under subsections (1) to (5) of this section shall be disallowed and the recontribution of refund including interest as determined by the board and the delayed contribution payment, if any, shall be paid to the member, upon request, or in the event of his death to his properly designated beneficiary if the member does not obtain for service performed six (6) months current service credit in either the Kentucky employes retirement system, county employes retirement system, state police retirement system, teachers' retirement system, judicial retirement system, or as an employe of a parted employer.

(7) (a) Effective July 1, 1973, any county participating in the county employes retirement system may purchase current service, between July 1, 1958 and participation date of the county, for present employes of the county who were employes on the participation date of the county and elected coverage under KRS 78.540(2).

(b) Effective July 1, 1973, any department participating in the Kentucky employes retirement system may purchase current service between July 1, 1956 and participation date of the department, for present employes of the department who were employes on the participation date of the department and elected coverage under KRS 61.525(2).

(c) Cost of the service credit purchased under this subsection shall be determined by computing the discounted value of the additional service credit based on an actuarial formula recommended by the board's consulting actuary and approved by the board. A department shall make payment for such service credit within the same fiscal year in which the option is elected. The county shall establish a payment schedule subject to approval by the board for payment of such service credit. The maximum period allowed in a payment schedule shall be ten (10) years with interest at the rate actuarially assumed by the board; however, a shorter period is desirable and the board may approve any schedule provided it is not longer than a ten (10) year period.

(d) If a county or department elects the provisions of this subsection any present employe who would be eligible to receive service credit under the provisions of this subsection and has purchased service credit under subsections (4) or (5) of this section shall have his payment for such service credit refunded with interest at the rate paid under KRS 61.575 or KRS 78.640.

(e) Any payments made by a county or department under this subsection shall be deposited to the retirement allowance account of the proper retirement system and these funds shall not be considered accumulated contributions of the individual members.

(8) Interest paid by a member of the Kentucky employes retirement system, county employes retirement system, or state police retirement system under this section or other similar statutes under KRS 16.505 to 16.652 or 61.510 to 61.692 or 78.510 to 78.852 prior to June 19, 1976 shall be credited to the individual member's contribution account in the appropriate retirement system and considered as accumulated contributions of the member.

(9) Any employe of a participating department who has obtained for service performed six (6) months current service credit in the Kentucky employes retirement system, who was an appointed member of a board or council created pursuant to KRS Chapter 164 for a period of at least eight (8) years, shall be entitled to have credited as current service his period of membership on such board or council provided he pays to the Kentucky employes retirement system a delayed contribution payment for the service he would have received had he been a member during his period on such board or council.

Floor Amendment No. 1 to **SB 108,** by Representative Weinberg:

Amend printed copy of **SB 108** on page 37, line 4, after "them." insert the following:

"Section 15. KRS 161.520 is amended to read as follows:

Upon death of an active contributing member or upon the death of a member retired for disability, except as provided in KRS 161.661(6), the survivors of the deceased member in the following named order, may elect to receive a survivor's benefit payable as follows:

(1) Where there is a surviving widow or a widower who is named as beneficiary of the member's retirement account, the benefit shall be:

(a) One hundred *eighty* [sixty] dollars *($180)* [($160)] per month with no restriction on other income; or

(b) One hundred ninety dollars ($190) per month when the surviving widow or widower's total income from all sources does not exceed six thousand dollars ($6,000) per year or five hundred dollars ($500) per month; or

(c) If the deceased member has a minimum of ten (10) years of service credit with the teachers' retirement system, the surviving widow or widower may apply for an annuity actuarially equivalent to the annuity that would have been paid to the deceased member when eligibility conditions were met. Eligibility for payments would begin at the time the age of the deceased member would have met the requirements of KRS 161.600(1). In exercising this right, the surviving widow or widower shall be entitled to receive an annuity for life except that eligibility for this benefit shall cease upon remarriage. This subsection applies to surviving spouses of members who die on or after July 1, 1978.

(2) Where there are surviving unmarried children under age eighteen (18) or under age nineteen (19) if a full-time student in high school, the benefit shall be one hundred fifty-five dollars ($155) per month in the case of one (1) such child, two hundred seventy dollars ($270) per month in the case of two (2) such children, three hundred twenty-five dollars ($325) per month in the case of three (3) such children, and three hundred fifty ($350) dollars per month in the case of four (4) or more such children. Benefits under this subsection shall apply notwithstanding benefits which may be payable under subsections (1) and (3).

(3) Where the survivor is a child age eighteen (18) or older whose mental or physical condition is sufficient to cause his dependency on the deceased member at the time of the member's death the benefit shall be one hundred ninety ($190) dollars per month, payable for the life of such child or until such time as the mental or physical condition creating the dependency no longer exists. Benefits under this subsection and subsection (2) shall apply to legally adopted survivors provided the proceedings for the adoption were initiated at least one year prior to the death of the member. Benefits under this subsection shall apply notwithstanding benefits which may be payable under subsections (1) and (2) and shall be in addition to such benefits.

(4) Where the sole eligible survivors are dependent parents aged sixty-five (65) or over, the benefit shall be one hundred ninety dollars ($190) per month for one (1) parent or two hundred sixty ($260) dollars per month for two (2) parents. Dependency of a parent shall be established as of the date of the death of the member.

(5) Where the sole eligible survivor is a dependent brother or sister, the benefit shall be one hundred fifty-five dollars ($155) per month. In order to qualify the brother or sister must have been a resident of the deceased member's household for at least one (1) full year prior to the member's death or must have been receiving care in a hospital, nursing home or other institution at the member's expense for a like period.

(6) The benefit to a child as defined in subsection (2) of this section shall terminate upon the attainment of age eighteen (18) or upon reaching age nineteen (19) if a full-time student in high school or upon

marriage, except that benefits shall continue until the attainment of age twenty-three (23) for an unmarried child who is a full-time student in a recognized educational program beyond the high school level. The benefit to a widow, widower, dependent parent or dependent brother or sister or dependent child age eighteen (18) or older shall terminate upon marriage, or upon termination of the condition creating the dependency.

(7) The board of trustees shall be the sole judge of eligibility or dependency of any beneficiary, and may require formal application or information relating thereto, including proof of annual income satisfactory to the board. The board of trustees may subpoena records and individuals whenever it deems such action necessary.

(8) No payments of benefits shall be made unless the board of trustees shall have authorized such payments. The board shall formulate and adopt necessary rules and regulations for the administration of the foregoing provisions and in every case the decision of the board of trustees shall be final as to eligibility, dependency, or disability, and the amounts of benefit payable.

(9) In the event that there are no eligible survivors as defined in subsections (1), (2), (3), (4), and (5) of this section, the board of trustees shall pay to the estate or assigns of the deceased member a refund of his accumulated contributions as provided in KRS 161.470(7). If the benefits paid or payable under subsections (1), (2), (3), (4), and (5) of this section and KRS 161.661 shall amount to a sum less than the member's accumulated contributions at the time of death, the board of trustees shall pay to the estate or assigns of the deceased member the balance of such accumulated contributions.

Floor Amendment No. 1 to **SB 246,** by Representative Hancock:

Amend printed copy of **SB 246** on page 2, line 9, after the word "moped.", by adding the following languages:

"Section 2. KRS 138.450 is amended to read as follows:

As used in KRS 138.460 and 138.470, unless the context requires otherwise:

(1) "Dealer" means any person engaged in the sale of motor vehicles at retail;

(2) "Motor vehicle" means any vehicle that is propelled by other than muscular power and that is used for transportation of persons or property over the public highways of the state, except road rollers, mopeds, vehicles that travel exclusively on rails, and vehicles propelled by electric power obtained from overhead wires;

(3) "Moped" means a pedal bicycle with a helper motor rated no more than two (2) brake horsepower, a cylinder capacity not exceeding fifty (50) cubic centimeters, [an automatic transmission] not requiring clutching or shifting by the operator after the drive system is engaged, and capable of a maximum speed of not more than thirty (30) miles per hour;

(4) Except as provided in subsection (5) of this section, "retail price" shall be determined as follows:

(a) For new motor vehicles "retail price" shall be 90% of the manufacturer's suggested retail price of the vehicle with all equipment and accessories, standard and optional, and transportation charges;

(b) For used motor vehicles whose values appear in the automotive reference manual prescribed by the department of revenue, "retail price" shall be the value given in such reference manual;

(c) For the older used motor vehicles whose values no longer appear in the automotive reference manual, "retail price" shall be determined as follows:

Number of Years Removed From Manual	Retail Price
1	75% of value of same make vehicle last appearing in manual
2	50% of value of same make vehicle last appearing in manual
3	25% of value of same make vehicle last appearing in manual
All Others	10% of value of same make vehicle last appearing in manual;

(d) In the case of used motor vehicles previously registered in this state, which are sold in this state, a trade-in allowance equal to the "retail price" of the vehicle taken in trade shall be deducted in computing the "retail price" of the vehicle sold.

(5) Notwithstanding the provisions of subsection (4) of this section, provided the tax on gasoline, diesel, other special motor fuels and liquefied petroleum gas is increased as provided for in KRS 138.220(2), 138.565(3), 138.660(2) and 234.320(2), "retail price" shall be determined as follows:

(a) For new motor vehicles "retail price" shall be the manufacturer's suggested retail price of the vehicle with all equipment and accessories, standard and optional, and transportation charges;

(b) For used motor vehicles whose values appear in the automotive reference manual prescribed by the department of revenue, "retail price" shall be the value given in such reference manual;

(c) For the older used motor vehicles whose values no longer appear in the automotive reference manual, "retail price" shall be determined as follows:

Number of Years Removed From Manual	Retail Price
1	75% of value of same make vehicle last appearing in manual
2	50% of value of same make vehicle last appearing in manual
3	25% of value of same make vehicle last appearing in manual
All Others	10% of value of same make vehicle last appearing in manual

(d) In the case of used motor vehicles previously registered in this state, which are sold in this state, and new motor vehicles sold by Kentucky licensed dealers, a trade-in allowance equal to the "retail price" of the vehicle taken in trade shall be deducted in computing the "retail price" of the vehicle sold.

Section 3. KRS 186.010 is amended to read as follows:

(1) "Department" as used in KRS 186.400 to 186.640 means the department of transportation; except as specifically designated, "department" as used in KRS 186.020 to 186.270 means the department of transportation only with respect to motor vehicles, other than commercial vehicles; "department" as used in KRS 186.020 to 186.270 means the bureau of vehicle regulation when used with respect to commercial vehicles.

(2) "Highway" means every way or place of whatever nature when any part of it is open to the use of the public, as a matter of right, license or privilege, for the purpose of vehicular traffic.

(3) "Manufacturer" means any person engaged in manufacturing motor vehicles who will, under normal conditions during the year, manufacture or assemble at least ten (10) new motor vehicles.

(4) "Motor vehicle," means in KRS 186.020 to 186.260, all vehicles, as defined in paragraph (a) of subsection (8) of this section, which are propelled otherwise than by muscular power. As used in KRS 186.400 to 186.640, it means all vehicles, as defined in paragraph (b) of subsection (8) of this section, which are self-propelled. Motor vehicle shall not include a moped as defined in this section.

(5) "Moped" means a pedal bicycle with a helper motor rated no more than two (2) brake horsepower, a cylinder capacity not exceeding fifty (50) cubic centimeters, [an automatic transmission] not requiring clutching or shifting by the operator after the drive system is engaged, and capable of a maximum speed of not more than thirty (30) miles per hour.

(6) "Operator" means any person in actual control of a motor vehicle upon a highway.

(7) "Owner" means a person who holds the legal title of a vehicle. If a vehicle is the subject of an agreement for the conditional sale or lease, with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or if a mortgagor of a vehicle is entitled to possession, the conditional vendee or lessee or mortgagor shall be deemed the owner.

(8) (a) "Vehicle," as used in KRS 186.020 to 186.260, includes all agencies for the transportation of persons or property over or upon the public highways of this commonwealth and all vehicles passing over or upon said highways, excepting road rollers, road graders, farm tractors, vehicles on which power shovels are mounted, such other construction equipment customarily used only on the site of construction and which is not practical for the transportation of persons or property upon the highways, such vehicles as travel exclusively upon rails, and such vehicles as are propelled by electric power obtained from overhead wires while being operated within any municipality or where said vehicles do not travel more than five (5) miles beyond the city limit of any municipality.

(b) As used in KRS 186.400 to 186.640, "vehicle" means every device in, upon or by which any person or property is or may be transported or drawn upon a public highway, excepting devices moved by human and animal power or used exclusively upon stationary rails or tracks, or which derives its power from overhead wires.

(9) KRS 186.020 to 186.270 apply to motor vehicle licenses. KRS 186.400 to 186.640 apply to operator's licenses.

(10) "Dealer" means any person engaging in the business of buying or selling motor vehicles.

(11) "Commercial vehicles" means all motor vehicles that are required to be registered under the terms of KRS 186.050, but not including vehicles primarily designed for carrying passengers and having provisions for not more than nine (9) passengers (including driver), motorcycles, side car attachments and motor vehicles registered under KRS 186.060.

Section 4. KRS 187.290 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Department" means the department of transportation.

(2) "Highways" means every way or place of whatever nature when any part of it is open to the use of the public, as a matter of right, license or privilege, for purpose of vehicular traffic.

(3) "Judgment" means any judgment which has become final by expiration without appeal of the time within which an appeal might have been perfected, or by final affirmation on appeal, rendered by a court of competent jurisdiction of any state or of the United States, upon a cause of action arising out of the ownership, maintenance or use of any motor vehicle, for damages, including damages for care and loss of services, because of bodily injury to or death of any person, or for damages because of injury to or destruction of property, including the loss of use thereof, or upon a cause of action on an agreement of settlement for such damages.

(4) "Motor vehicle" means every self-propelled vehicle which is designed for use upon a highway, including trailers designed for use with such vehicles (except traction engines, road rollers, farm tractors, tractor cranes, power shovels, mopeds, and well drillers) and every vehicle which is propelled by electric power obtained from overhead wires but not operated upon rails.

(5) "Moped" means a pedal bicycle with a helper motor rated no more than two (2) brake horsepower, a cylinder capacity not exceeding fifty (50) cubic centimeters, [an automatic transmission] not requiring clutching or shifting by the operator after the drive system is engaged, and capable of a maximum speed of not more than thirty (30) miles per hour;

(6) "License" means any operator's license, temporary instruction permit or temporary license issued under the laws of this state pertaining to the licensing of operators.

(7) "Nonresident" means every person who is not a resident of this state.

(8) "Nonresident's operating privilege" means the privilege conferred upon a nonresident by the laws of this state pertaining to the operation by him of a motor vehicle, or the use of a motor vehicle owned by him, in this state.

(9) "Operator" means every person who is in actual physical control of a motor vehicle.

(10) "Owner" means a person who holds the legal title of a motor vehicle, or in the event a motor vehicle is the subject of an agreement for the conditional sale or lease thereof with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee or in the event a mortgagor of a vehicle is entitled to possession, then such conditional vendee or lessee or mortgagor shall be deemed the owner for the purposes of this chapter.

(11) "Proof of financial responsibility" means proof of ability to respond in damages for liability, on account of accidents occurring subsequent to the effective date of said proof, arising out of the ownership, maintenance or use of a motor vehicle in the amount of ten thousand dollars ($10,000) because of bodily injury to or death of one (1) person in any one (1) accident, and, subject to said limit for one (1) person, in the amount of twenty thousand dollars ($20,000) because of bodily injury to or death of two (2) or more persons in any one (1) accident, and in the amount of five thousand dollars ($5,000) because of injury to or destruction of property of others in any one (1) accident.

(12) "Registration" means registration certificates and registration plates issued under the laws of this state pertaining to the registration of motor vehicles.

(13) "State" means any state, territory or possession of the United States, the District of Columbia, or any province of the Dominion of Canada.

Section 5. KRS 189.285 is amended to read as follows:

(1) No person shall operate a motorcycle on a highway:

(a) Except when that person is in possession of a valid motorcycle operator's license; and

(b) Unless that person uses an approved eye-protective device, in the manner prescribed by the secretary of the department of transportation, at all times such vehicle is in motion; and

(c) Unless the motorcycle is equipped with a rear-view mirror.

(2) No person shall operate or ride as a passenger on a motorcycle:

(a) Except on a seat permanently attached to that vehicle and specifically designed to carry the operator or passenger in a safe manner; and

(b) Except when using a footrest permanently attached to that vehicle and specifically designed to carry that person in a safe manner; and

(c) Unless that person wears approved protective headgear, in the manner prescribed by the secretary of the department of transportation, at all times that the vehicle is in motion.

(3) The secretary of the department of transportation shall by regulation fix minimum standards for approved protective headgear and for approved eye-protective devices, and prescribe the manner in which they shall be used. The secretary shall maintain and cause to be published a list of approved protective headgear and of approved eye-protective devices. The secretary may prescribe by regulation minimum standards for other protective devices and require the use of those devices.

(4) As used in this chapter and KRS chapter 186, "motorcycle" means any motor driven vehicle having a seat or saddle for the use of the operator and designed to travel on not more than three wheels in contact with the ground, but excluding tractors and vehicles on which the operator and passengers ride in an enclosed cab and excluding a moped as defined in this section.

(5) "Moped" means a pedal bicycle with a helper motor rated no more than two (2) brake horsepower, a cylinder capacity not exceeding fifty (50) cubic centimeters, [an automatic transmission] not requiring clutching or shifting by the operator after the drive system is engaged, and capable of a maximum speed of not more than thirty (30) miles per hour.

Section 6. KRS 190.010 is amended to read as follows:

As used in KRS 190.010 to 190.080 unless the context requires otherwise:

(1) "Motor vehicle dealer" means any person not excluded by subsection (2) of this section who:

(a) For commission, money or other thing of value, is engaged in the business of selling, exchanging, buying, offering or attempting to negotiate a sale or exchange of an interest in motor vehicles; or

(b) Who is engaged wholly or in part in the business of selling motor vehicles, including motor driven cycles, whether or not such motor vehicles are owned by such person, firm or corporation.

(2) The term "motor vehicle dealer" does not include:

(a) Receivers, trustees, administrators, executors, guardians or other persons appointed by or acting under the judgment or order of any court, and any bank, trust company or lending institution which is subject to state or federal regulation as such, with regard to its disposition of repossessed motor vehicles;

(b) Public officers while performing their official duties; or

(c) Employes of persons enumerated in paragraphs (a) and (b) of this subsection, when engaged in the specific performance of their duties as such employes.

(3) "Motor vehicle salesman" means any person who is employed as a salesman by a motor vehicle dealer to sell motor vehicles.

(4) The term "board" means the motor vehicle dealers board.

(5) The term "commissioner" means the commissioner of vehicle regulation.

(6) "Motor vehicle" means any motor driven vehicle required to be registered or licensed before being operated upon the highways. Motor vehicle shall not include moped as defined in this section.

(7) "Moped" means a pedal bicycle with a helper motor rated no more than two (2) brake horsepower, a cylinder capacity not exceeding fifty (50) cubic centimeters, [an automatic transmission] not requiring clutching or shifting by the operator after the drive system is engaged, and capable of a maximum speed of not more than thirty (30) miles per hour.

(8) The term "bureau" means the bureau of vehicle regulation.

(9) "Licensor" means either the commissioner or the bureau or both.

(10) "Manufacturer" means any person, resident or nonresident who manufactures or assembles motor vehicles.

(11) "Distributor" or "wholesaler" means a person, resident or nonresident who sells or distributes motor vehicles to licensed motor vehicle dealers, or who maintains distributor representatives.

(12) "Factory branch" means a branch office maintained by a person who manufactures or assembles motor vehicles, for the sale of motor vehicles to distributors, or for the sale of motor vehicles to motor vehicle dealers or for directing or supervising in whole or part, its representatives.

(13) "Distributor branch" means a branch office similarly maintained by a distributor or wholesaler for the same purposes.

(14) "Factory representative" means a representative employed by a person who manufactures or assembles motor vehicles or by a factory branch, for the purpose of making or promoting the sale of its motor vehicles, or for supervising or contacting its dealers or prospective dealers.

(15) "Distributor representative" means a representative similarly employed by a distributor, distributor branch or wholesaler.

(16) "Person" means a person, partnership, firm, corporation or association.

(17) The term "new motor vehicle" means a motor vehicle which, after its final assembly, is either in the possession of the manufacturer, factory branch or distributor, or an authorized dealer operating under a franchise with the manufacturer, factory branch or distributor, and the legal or equitable title to which has never been the subject of a sale or transfer other than to another dealer operating under a similar franchise with the same manufacturer, factory branch or distributor.

(18) The term "franchise" means any written contract, agreement, or license between a motor vehicle dealer and a manufacturer, factory branch or distributor of new motor vehicles by which the dealer is authorized to engage in the business of selling any specified make or makes of new motor vehicles.

Section 7. KRS 304.39-020 is amended to read as follows:

As used in this subtitle:

(1) "Added reparation benefits" mean benefits provided by optional added reparation insurance.

(2) "Basic reparation benefits" mean benefits providing reimbursement for net loss suffered through injury arising out of the operation, maintenance or use of a motor vehicle, subject, where applicable, to the limits, deductibles, exclusions, disqualifications and other conditions provided in this subtitle. The maximum amount of basic reparation benefits payable for all economic loss resulting from injury to any one person as the result of one (1) accident shall be ten thousand dollars ($10,000), regardless of the number of persons entitled to such benefits or the number of providers of security obligated to pay such benefits. Basic reparation benefits consist of one (1) or more of the elements defined as "loss."

(3) "Basic reparation insured" means:

(a) A person identified by name as an insured in a contract of basic reparation insurance complying with this subtitle; and

(b) While residing in the same household with a named insured, the following persons not identified by name as an insured in any other contract of basic reparation insurance complying with this subtitle: a spouse or other relative of a named insured; and a minor in the custody of a named insured or of a relative residing in the same household with the named insured if he usually makes his home in the same family unit, even though he temporarily lives elsewhere.

(4) "Injury" and "injury to person" mean bodily harm, sickness, disease, or death.

(5) "Loss" means accrued economic loss consisting only of medical expense, work loss, replacement services loss, and, if injury causes death, survivor's economic loss and survivor's replacement services loss. Noneconomic detriment is not loss. However, economic loss is loss although caused by pain and suffering or physical impairment.

(a) "Medical expense" means reasonable charges incurred for reasonably needed products, services, and accommodations, including those for medical care, physical rehabilitation, rehabilitative occupational training, and other remedial treatment and care. "Medical expense" may include non-medical remedial treatment rendered in accordance with a recognized religious method of healing. The term includes a total charge not in excess of one thousand dollars ($1,000) per person for expenses in any way related to funeral, cremation, and burial. It does not include that portion of a charge for a room in a hospital, clinic, convalescent or nursing home, or any other institution engaged in providing nursing care and related services, in excess of a reasonable and customary charge for semi-private accommodations, unless intensive care is medically required. Medical expense shall include all healing arts professions licensed by the Commonwealth of Kentucky. There shall be a presumption that any medical bill submitted is reasonable.

(b) "Work loss" means loss of income from work the injured person would probably have performed if he had not been injured, and expenses reasonably incurred by him in obtaining services in lieu of those he would have performed for income, reduced by any income from substitute work actually performed by him;

(c) "Replacement services loss" means expenses reasonably incurred in obtaining ordinary and necessary services in lieu of those the injured person would have performed, not for income but for the benefit of himself or his family, if he had not been injured.

(d) "Survivor's economic loss" means loss after decedent's death of contributions of things of economic value to his survivors, not including services they would have received from the decedent if he had not suffered the fatal injury, less expenses of the survivors avoided by reason of decedent's death.

(e) "Survivor's replacement services loss" means expenses reasonably incurred by survivors after decedent's death in obtaining ordinary and necessary services in lieu of those the decedent would have performed for their benefit if he had not suffered the fatal injury, less expenses of the survivors avoided by reason of the decedent's death and not subtracted in calculating survivor's economic loss.

(6) "Use of a motor vehicle" means any utilization of the motor vehicle as a vehicle including occupying, entering into and alighting from it. It does not include (i) conduct within the course of a business of repairing, servicing, or otherwise maintaining motor vehicles unless the conduct occurs off the business premises, or (ii) conduct in the course of loading and unloading the vehicle unless the conduct occurs while occupying, entering into, or alighting from it.

(7) "Motor vehicle" means any vehicle which transports persons or property upon the public highways of the Commonwealth, propelled by other than muscular power except road rollers, road graders, farm tractors, vehicles on which power shovels are mounted, such other construction equipment customarily used only on the site of construction and which is not practical for the transportation of persons or property upon the highways, such vehicles as travel exclusively upon rails and such vehicles as are propelled by electrical

power obtained from overhead wires while being operated within any municipality or where said vehicles do not travel more than five (5) miles beyond the said limits of any municipality. Motor vehicle shall not mean moped as defined in this section.

(8) "Moped" means a pedal bicycle with a helper motor rated no more than two (2) brake horsepower, a cylinder capacity not exceeding fifty (50) cubic centimeters, [an automatic transmission] not requiring clutching or shifting by the operator after the drive system is engaged, and capable of a maximum speed of not more than thirty (30) miles per hour;

(9) "Public roadway" means a way open to the use of the public for purposes of motor vehicle travel.

(10) "Net loss" means loss less benefits or advantages, from sources other than basic and added reparation insurance, required to be substracted from loss in calculating net loss.

(11) "Noneconomic detriment" means pain, suffering, inconvenience, physical impairment, and other nonpecuniary damages recoverable under the tort law of this Commonwealth. The term does not include punitive or exemplary damages.

(12) "Owner" means a person, other than a lienholder or secured party, who owns or has title to a motor vehicle or is entitled to the use and possession of a motor vehicle subject to a security interest held by another person. The term does not include a lessee under a lease not intended as security.

(13) "Reparation obligor" means an insurer, self-insurer, or obligated government providing basic or added reparation benefits under this subtitle.

(14) "Survivor" means a person identified in KRS 411.130 as one entitled to receive benefits by reason of the death of another person.

(15) A "user" means a person who resides in a household in which any person owns or maintains a motor vehicle.

(16) "Maintaining a motor vehicle" means having legal custody, possession or responsibility for a motor vehicle by one other than an owner or operator.

(17) "Security" means any continuing undertaking complying with this subtitle, for payment of tort liabilities, basic reparation benefits, and all other obligations imposed by this subtitle."

Floor Amendment No. 4 to **SB 205,** by Representative Heleringer:

Amend printed copy of **SB 205** on page 9, after line 18, by adding the following:

"SECTION 8. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The department is prohibited from collecting attempting to collect, or threatening to collect moneys due from any individual person for services rendered at a department facility as a means of coercing or attempting to coerce the person into removing any person for whom they are responsible from a department facility, changing the level of care or treatment of the person, or removing the person from one department facility to another, or to a private facility.

(2) Any person who believes that the department is violating the provisions of this section may apply for injunctive relief to the circuit court where he resides, where the facility is located, where the patient resides, or to the Franklin circuit court."

Floor Amendment No. 1 to **SB 80,** by Representative Allen:

Amend printed copy of **SB 80** on page 13, following line 2, add the following new section:

There shall be levied on the wholesale price of drumsticks, legs, wings and breasts of chicken a nine percent tax which shall not be passed on to the consumer. There is exempted from this tax necks and gizzards of the chicken.

The proceeds of this tax shall be used to repair and reconstruct chicken trails from Lexington to La Vegas.

Floor Amendment No. 6 to Floor Amendment No. 2 to **SB 58,** by Representative Wilborn:

Amend printed copy of Floor Amendment No. 2 to **SB 58** on page 6, line 5, after the word "loans" insert the following language ", which are insured or guaranteed to at least eighty-five percent (85%) of its principal amount by the United States of America or any agency or instrumentality thereof."

Floor Amendment No. 1 to **SB 280,** by Representative White:

Amend printed copy of **SB 280** on page 5, after line 10, insert the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 9, IS CREATED TO READ AS FOLLOWS:

Any insurance company shall be liable for the acts of its agents when the agents are acting in their capacity as representatives of the insurance company."

Floor Amendment No. 4 to House Floor Amendment No. 2 to **SB 58,** by Representative Dawahare:

Amend printed copy of Floor Amendment No. 2 to **SB 58** on page 6, line 8, after the word "*miners*" insert "*with annual income of less than thirty thousand dollars ($30,000)*";

and on page 6, line 9, after the word "*fund*" delete the words "*regardless of income*".

Floor Amendment No. 5 to House Floor Amendment No. 3 to **SB 58,** by Representative Dawahare:

Amend printed copy of House Floor Amendment No. 3 to **SB 58** on page 6, after the period on line 7, by deleting the following: "*Coal miners shall be eligible for loans through the fund regardless of income.*"

Floor Amendment No. 1 to **SB 239,** by Representative White:

Amend printed copy of **SB 239** on page 2, after line 16, insert the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 9, IS CREATED TO READ AS FOLLOWS:

Any insurance company shall be liable for the acts of its agents when the agents are acting in their capacity as representatives of the insurance company."

Floor Amendment No. 1 to **SB 231,** by Representative White:

Amend printed copy of **SB 231** on page 9, line 19, insert the following:

"SECTION 9. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 9, IS CREATED TO READ AS FOLLLOWS:

Any insurance company shall be liable for the acts of its agents when the agents are acting in their capacity as representatives of the insurance company.

Floor Amendment No. 2 to the Committee Amendment No. 1 to **SB 152,** by Representative Hancock:

Amend printed copy of Committee Amendment No. 1 to **SB 152** on page 1, by inserting the following after "absent" at the end of subsection (1) of Section 1: ", except that no employer shall be required to grant an employe a leave of absence with pay".

Floor Amendment No. 1 to **SB 341,** by Representative Richards:

Amend printed copy of **SB 341** on page 16, line 9, after "Section 14." insert the following:

"KRS 158.030 is amended to read as follows:

[(1)] A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by September 1, 1979, and any year thereafter, shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by September 1, 1979, and any year thereafter, may enter a public school kindergarten. Any child who has successfully completed kindergarten during the school year *1979-80* [1978-79] shall be eligible for enrollment in the first grade for the school year *1980-81* [1979-80] notwithstanding any other age requirements of this section.

[(2) The parent or legal guardian of any child who becomes five (5) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter kindergarten at the beginning of the school year in which the child becomes five (5).

(3) The parent or legal guardian of any child who becomes six (6) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter first grade at the beginning of the school year in which the child becomes six (6).

(4) The state board for elementary and secondary education shall establish procedures for consideration of such petitions including readiness testing and such other measures as may be deemed necessary.]"

and on page 16, line 9, after "Section 14." insert "Section 15.".

Floor Title Amendment to **SB 341,** by Representative Richards:

Amend printed copy of **SB 341** on the Title page, by deleting the words "exceptional children" and inserting after the word "to" the word "education".

Floor Amendment No. 4 to **SB 332,** by Representative Schmidt:

Amend printed copy of **SB 332** on page 1, line 1, after the word "repealed" insert the word "*, amended*";

and on page 1, line 9, after the word "any" place brackets around the word "place" and insert the word "*business*";

and on page 1, line 9, after the word "where" place brackets around the word "five (5)" and insert "*ten (10)* in lieu thereof:

and on page 2, line 20, after the word "repealed" insert the word "*, amended*";

and on page 2, line 24, before the word "business" place brackets around the words "establishment or place of";

and on page 3, lines 2-3, after the word "recycling" place brackets around the word "establishment or place of";

and on page 3, line 5, after the word "repealed" insert the word "*, amended*";

and on page 3, line 7, after the word "vehicle" place brackets around the word "or" and insert "," in lieu thereof;

and on page 3, line 7, after the word "machinery" place brackets around the words "recycling establishment or place of business;

and on page 3, line 9, before the word "business" place brackets around the words "establishment or place of;

and on page 3, line 15, after the word "repealed" insert the word "*, amended*";

and on page 3, lines 22-23, after the word "recyclying" place brackets around the words "establishment or place of business";

and on page 3, lines 24-25, after the word "is" place brackets around ", so far as deemed practical by the commissioner,";

and on page 4, line 3, after the word "fence" insert "*not less than six (6) feet or more than twelve (12) feet high*";

and on page 4, line 7, before the word "business" place brackets around the words "establishment or place of";

and on page 4, line 10, after the word "repealed" insert the word ", *amended*";

and on page 4, lines 17-18, after the word "recylcying" place brackets around the words "establishment or places of";

and on page 5, line 12, delete;

and on page 4, lines 20-26, after the (3) place brackets around the words "[Adopt, without hearing, rules and regulations with respect to the sufficiency, type of material or foliage, height, density, and size of screening required by KRS 177.915 to insure the accomplishment of the purposes of KRS 177.905 to 177.950;

(4) Adopt, without hearing, rules and regulations with respect to the procedural aspects of hearings, the filing of reports and orders, the issuance of permits and other matters.;

(5)]" and insert the language "*All automobile, vehicle, machinery and material recycling businesses shall be notified fifteen (15) days in advance of hearings required under Section 2 of this Act.*

and on page 5, lines 11-21, by placing brackets around

[(6) Issue, continue in effect, revoke, modify or deny under such conditions as the bureau may prescribe permits for the operation of an automobile, vehicle, machinery, or material recycling establishments or places of business.

(7) Make investigations or inspections which may be deemed necessary by the commissioner to insure compliance with the provisions of KRS 177.905 to 177.950, or with any rules, regulations or orders of the department which may be deemed necessary to enable the bureau to administer and enforce the provisions of KRS 177.905 to 177.950.

(8)] and insert *(5)* in lieu thereof;

and on page 6, line 1-10, by placing brackets around

[(9) Enter at any reasonable time through any officer, assistant, agent or employe in or upon any public or private property for the purpose of investigation and inspection of conditions relating to the operation of any automobile, vehicle, machinery or material recycling establishments or places of business.

(10) Perform such other and further acts as may be necessary, proper or desirable in order to carry out effectively the duties and responsibilities of the bureau prescribed in KRS 177.905 to 177.950.]

and on page 6, line 11, after the word "repealed" insert the word ", *amended*;

and on page 6, line 16, after the word "recycling" insert the word "*business*";

and on page 6, line 17, before the word "or" place brackets around the words "establishments or places of business".

Floor Amendment No. 2 to the Committee Substitute to **HB 483**; by Representative Cyrus:

Amend printed copy of Committee Substitute for **HB 483** on page 1, line 20, after "employee" and *within the same establishment*;

and on page 4, line 17, delete "nor past practice".

Floor Amendment No. 2 to **SB 362**, by Representative Kidd:

Amend printed copy of **SB 362** on page 8, after line 3 insert the following:

"SECTION 4. A NEW SECTION OF KRS 21.345 to 21.520 IS CREATED TO READ AS FOLLOWS:

(1) Effective July 15, 1980, the retirement system established by KRS 21.345 to 21.520 shall include the members of the general assembly upon their election to participate therein in accordance with subsection

(2) of this section. The annual accrual rate for members of the general assembly first elected after the effective date of this Act shall be two and seventy-five hundredths percent (2.75%) for each year of service. For members of the general assembly serving prior to July 1, 1978 who continue to serve in the general assembly on the effective date of this Act, the annual accrual rate shall be the same as for judges in the judicial retirement system prior to July 1, 1978, and for members of the general assembly first serving in the general assembly after July 1, 1978 but before the effective date of this Act, who continue to serve in the general assembly, the annual accrual rate shall be the rate for judges who entered the judicial retirement system after July 1, 1978 but prior to the effective date of this Act.

(2) Each member of the general assembly in office on July 15, 1980 may, within thirty (30) days after July 15, 1980, and any member of the general assembly thereafter taking office may within thirty (30) days after taking office, elect to make monthly contributions to the system established by KRS 21.345 to 21.520 in an amount equal to five percent (5%) of his assumed annual salary on a monthly basis. The election shall be effective to establish membership in the system as of July 15, 1980, or as of the date the member thereafter takes office, as the case may be. The election shall be addressed and filed and have effect the same as an election made by a justice or judge under KRS 21.360.

(3) Members of the general assembly who elect membership in the judicial retirement system shall have their service in the Kentucky employes' retirement system credited to their account in the judicial retirement system. In this case, money attributable to the member in the member's contribution account (KRS 61.575) and the retirement allowance account (KRS 61.575) and the retirement allowance account (KRS 61.580) shall be transferred to the judicial retirement system.

Section 5. KRS 21.400 is amended to read as follows:

(1) A member who retires on or after his normal retirement date shall receive a service retirement allowance, payable monthly during his lifetime, in an amount per month equal to four and fifteen one hundredths percent (4.15%) of his final compensation multiplied by the number of years of his service, but in no event to exceed one hundred percent (100%) of final compensation, except that for any service performed while a member prior to July 1, 1978, any service prior to July 1, 1962 creditable under KRS 21.345, and any service performed in continued membership (or allowable under KRS 21.410 or 21.420) after June 30, 1978, by a person who was a member on that date, the monthly percentage figure shall be five percent (5%), and except that allowances heretofore granted, and rights related thereto, shall not be affected by the 1978 amendment to this section. For this purpose, "final compensation" means the average monthly compensation of the member for the sixty (60) months of service immediately preceding his retirement, including, in the case of a circuit judge, compensation received as special commissioner of the former Court of Appeals. *In the case of members of the General Assembly, final compensation shall be computed on the basis of an assumed annual salary of $18,000 per year, which shall include per diem and expense payments authorized by KRS Chapter 6.* If, at the time of retirement or death of a member his total period of service in one or more positions covered by the system has not amounted to sixty (60) months, his "final compensation" shall be computed as if he had served in the first position he occupied under the system for such period of time as to bring his total service (in all positions) to sixty (60) months. If that category of position was not in existence for that period, it shall be treated as though it had been in existence for that period and as if the compensation paid for the presumed period of existence was at the rate provided for the category when it in fact first was created.

(2) A member who retires before his normal retirement date shall be vested with the right to receive, when he reaches his normal retirement age, a service retirement allowance computed and payable in accordance with the provisions of subsection (1) of this section, on the basis of the number of years of his actual service.

(3) In lieu of the right provided for in subsection (2) of this section, a member who retires before his normal retirement age may elect, at any time before reaching his normal retirement age, to be paid commencing as of the time of the election a monthly service retirement allowance equal in amount to the monthly allowance that would have become payable under subsection (2) of this section when he reached his normal retirement age, reduced actuarially in accordance with his actual age at the time the election is made.

Section 6. KRS 21.345 is amended to read as follows:

(1) For the purposes of KRS 21.350 to 21.510, "retirement" means a voluntary resignation or a failure of re-election, but does not include a removal for cause.

(2) The word "service" as used in KRS 21.370 to 21.480 means service as a justice of the Supreme Court, *as a member of the general assembly in accordance with Section 4 of this Act,* as a judge of the Court of Appeals created by Section 111 of the Constitution of Kentucky, as a regular circuit judge, or as a regular judge of the district court, including service in one (1) and then another of those capacities. It

also includes service as a judge or commissioner of the former Court of Appeals, or as director of the administrative office of the courts, prior to January 1, 1976, and service continuing beyond that date, in any capacity in or for the Court of Justice, by any person who held the office of commissioner of the former Court of Appeals, or director of the administrative office of the courts, on December 31, 1975. The word "service" embraces only service performed while a member of the retirement system established by KRS 21.350 to 21.510, except that, service in any of the positions hereinabove mentioned, before the judicial retirement system was made applicable to that category of position, shall be included.

(3) For the purposes of KRS 21.345 to 21.510, a "year" of service means a total of twelve (12) months of service, which need not be in the same calendar year. Service in any calendar month shall be deemed to constitute a month of service.

(4) The provisions of this section shall not apply to any director of the administrative office of the courts appointed after January 1, 1976, nor shall they apply to any commissioner of the Court of Appeals not appointed prior to January 1, 1976. The administrative director of the courts and commissioners of the Court of Appeals appointed prior to January 1, 1976, shall continue to be members of the system so long as they continue to render service in any capacity in or for the Court of Justice.

Section 7. KRS 21.350 is amended to read as follows:

(1) Except as provided in subsection (2) of this section, membership in the retirement system established by KRS 21.350 to 21.510 shall consist of, and be confined to, justices of the Supreme Court, *members of the general assembly in accordance with Section 4 of this Act,* judges of the Court of Appeals created by Section 111 of the Constitution of Kentucky, circuit judges, and judges of the district court, who have made an election to participate in accordance with KRS 21.360.

(2) Any person who was a member on December 31, 1975, by virtue of holding on that date the office of commissioner of the former Court of Appeals or director of the administrative office of the courts, shall continue in membership so long as he continues to render service in any capacity in or for the Court of Justice.

(3) The limitation of membership made by this section does not affect rights to benefits based on service rendered before the 1978 amendment to this section took effect."

Floor Title Amendment to **SB 362,** by Representative Kidd:

Amend printed copy of **SB 362** on page 1, by amending the title thereof to read as follows: "AN ACT relating to state retirement systems."

Floor Amendment No. 1 to **SR 18,** by Representative Burnette:

Amend printed copy of **SR 18** on page 2, by adding after line 9 the following:

Section 1. That this Body proposes to the Congress of the United States that procedures be instituted in the Congress to add a new Article to the Constitution of the United States, and that the Senate of the General Assembly of the Commonwealth of Kentucky requests the Congress to prepare and submit to the several states an amendment to the Constitution of the United States, requiring, in the absence of a national emergency, that the total of all Federal appropriations made by the Congress for any fiscal year may not exceed the total of all estimated Federal revenues for that fiscal year.

Section 2. That, alternatively, this Body makes application and requests that the Congress of the United States call a constitutional convention for the specific and exclusive purpose of proposing an amendment to the Federal Constitution requiring in the absence of a national emergency that the total of all Federal appropriations made by the Congress for any fiscal year may not exceed the total of all estimated Federal revenues for that fiscal year.

Section 3. That this Body also proposes that the legislatures of each of the several states comprising the United States apply to the Congress requesting the enactment of an appropriate amendment to the Federal Constitution; or requiring the Congress to call a constitutional convention for proposing such an amendment to the Federal Constitution.

Section 4. That this application by this Body constitutes a continuing application in accordance with Article 5 of the Constitution of the United States until at least two-thirds of the legislatures of the several states have made similar applications pursuant to Article 5; but if the United States Congress proposes an amendment to the United States Constitution identical in subject matter to that contained in this concurrent resolution then this petition for a constitutional convention shall no longer be of any force or effect.

Section 5. That this application and request be deemed null and void, rescinded and of no effect in the event that such convention not be limited to such specific and exclusive purpose.

Section 6. That copies of this Resolution be sent by the Secretary of State to the members of Congress from Kentucky.

Section 7. That the Secretary of State of this State is directed to send copies of this Joint Resolution to the Secretary of State and presiding officers of both Houses of the Legislature of each of the other States in the Union, the Clerk of the United States House of Representatives, Washington, D. C. and the Secretary of the United States Senate, Washington, D. C.

Floor Amendment No. 1 to **SR 23,** by Representative Burnette:

Amend printed copy of **SR 23** on page 3, by adding after line 1 the following:

Section 1. That this Body proposes to the Congress of the United States that procedures be instituted in the Congress to add a new Article to the Constitution of the United States, and that the Senate of the General Assembly of the Commonwealth of Kentucky requests the Congress to prepare and submit to the several states an amendment to the Constitution of the United States, requiring, in the absence of a national emergency, that the total of all Federal appropriations made by the Congress for any fiscal year may not exceed the total of all estimated Federal revenues for that fiscal year.

Section 2. That, alternatively, this Body makes application and requests that the Congress of the United States call a constitutional convention for the specific and exclusive purpose of proposing an amendment to the Federal Constitution requiring in the absence of a national emergency that the total of all Federal appropriations made by the Congress for any fiscal year may not exceed the total of all estimated Federal revenues for that fiscal year.

Section 3. That this Body also proposes that the legislatures of each of the several states comprising the United States apply to the Congress requesting the enactment of an appropriate amendment to the Federal Constitution; or requiring the Congress to call a constitutional convention for proposing such an amendment to the Federal Constitution.

Section 4. That this application by this Body constitutes a continuing application in accordance with Article 5 of the Constitution of the United States until at least two-thirds of the legislatures of the several states have made similar applications pursuant to Article 5; but if the United States Congress proposes an amendment to the United States Constitution identical in subject matter to that contained in this concurrent resolution then this petition for a constitutional convention shall no longer be of any force or effect.

Section 5. That this application and request be deemed null and void, rescinded and of no effect in the event that such convention not be limited to such specific and exclusive purpose.

Section 6. That copies of this Resolution be sent by the Secretary of State to the members of Congress from Kentucky.

Section 7. That the Secretary of State of this State is directed to send copies of this Joint Resolution to the Secretary of State and presiding officers of both Houses of the Legislature of each of the other States in the Union, the Clerk of the United States House of Representatives, Washington, D. C. and the Secretary of the United States Senate, Washington, D. C.

Floor Title Amendment to **SR 23,** by Representative Burnette:

Amend printed copy of **SR 23** on Title page by inserting before the "." the following: "and requesting and petitioning the Congress of the United States for the purpose of requesting appropriate action by the Congress, either acting by consent of two-thirds of both Houses or, upon the application of the legislatures of two-thirds of the several states, calling a constitutional convention to propose an amendment to the Federal Constitution to require, with certain exceptions, that the total of all Federal appropriations may not exceed the total of all estimated Federal revenues in any fiscal year".

Floor Title Amendment to **SR 18,** by Representative Burnette:

Amend printed copy of **SR 18** on Title page by inserting before the "." the following: "and requesting and petitioning the Congress of the United States for the purpose of requesting appropriate action by the Congress, either acting by consent of two-thirds of both Houses or, upon the application of the legislatures of two-thirds of the several states, calling a constitutional convention to propose an amendment to the Federal Constitution to require, with certain exceptions, that the total of all Federal appropriations may not exceed the total of all estimated Federal revenues in any fiscal year".

Floor Amendment No. 14 to **SB 140,** by Representative Riner:

Amend printed copy of **SB 140** on page 2, line 18, after "necessary.]" insert the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

(1) With respect to lectures, visual aids, textbooks, other prepared subject matter, curricula, course guides, course outlines, and other administrative curricular matter used in all public elementary and secondary schools within the Commonwealth, references supporting the theory of evolution shall be presented only with references to the scientific evidences that tend to disprove the theory of evolution, which are equal in content and context.

(2) Nothing in this Act shall be construed as a control on discussion, nor so as to prevent the use of dual textbooks or teaching materials, or both, to achieve the equal content requirements of this Act.

(3) The requirements of this Act shall be applicable to all presentations of the theory of evolution beginning with the 1982-83 school year.

SECTION 3. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

Beginning in the 1980-81 school year, the state textbook commission, under provisions of KRS 156.435, shall include as a criterion for selection of textbooks for adoption, scientific evidence that tend to disprove the theory of evolution which are equal in content and context to evidences which tend to support the theory of evolution, when references to the theory of evolution are made in a textbook being considered for adoption."

Floor Amendment No. 2 to **SB 341,** by Representative Deskins:

Amend printed copy of **SB 341** on page 17, line 8, add the following language after the word "penalties".

"Section 1. KRS 158.030 is amended to read as follows:

[(1)] A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by *December 31* [September 1], 1979, and any year thereafter, shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by *December 31* [September 1], 1979, and any year thereafter, may enter a public school kindergarten. Any child who has successfully completed kindergarten during the school year *1979-80* [1978-79] shall be eligible for enrollment in the first grade for the school year *1980-81* [1979-80] notwithstanding any other age requirements of this section.

[(2) The parent or legal guardian of any child who becomes five (5) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter kindergarten at the beginning of the school year in which the child becomes five (5).

(3) The parent or legal guardian of any child who becomes six (6) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter first grade at the beginning of the school year in which the child becomes six (6).

(4) The state board for elementary and secondary education shall establish procedures for consideration of such petitions including readiness testing and such other measures as may be deemed necessary.]

Floor Amendment No. 1 to **SB 270,** by Representative White:

Amend printed copy of **SB 270** on page 11, after line 18, insert the following:

"SECTION 4. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 9, IS CREATED TO READ AS FOLLOWS:

Any insurance company shall be liable for the acts of its agents when the agents are acting in their capacity as representatives of the insurance company."

Floor Amendment No. 1 to **SB 357,** by Representative White:

Amend printed copy of **SB 357** on page 3, after line 21, insert the following:

"SECTION 5. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 9, IS CREATED TO READ AS FOLLOWS:

Any insurance company shall be liable for the state of its agents when the agents are acting in their capacity as representatives of the insurance company."

Floor Amendment No. 1 to **SB 247,** by Representative White:

Amend printed copy of **SB 247** on page 6, after line 10, insert the following:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 9, IS CREATED TO READ AS FOLLOWS:

Any insurance company shall be liable for the acts of its agents when the agents are acting in their capacity as representatives of the insurance company."

Floor Amendment No. 2 to **SB 206,** by Representative White:

Amend printed copy of **SB 206** on page 2, after line 11, insert the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 9, IS CREATED TO READ AS FOLLOWS:

Any insurance company shall be liable for the acts of its agents when the agents are acting in their capacity as representatives of the insurance company."

Adjournment

Representative B. Richardson moved that the House adjourn until 10:00 a.m., Friday, March 28, 1980.

The motion to adjourn was adopted by voice vote.

FRIDAY, MARCH 28, 1980

FIFTY-FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Reverend Dennis Jones, First Presbyterian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Pearman.

Representative Isler moved that absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 27, 1980, be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 137, by Representatives Donnermeyer, Schmidt, Petty, McBee, and Mann: A RESOLUTION honoring the Bellevue High School Tigers Football Team and their coaching staff.

Calendar

SB 265, SB 235, SB 363, SB 242, SB 297, and **SB 376** taken from the Calendar, and **SB 329** taken from the Consent Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 21, SB 27, SB 66, SB 80, SB 134, SB 191, SB 263, SB 321,** and **SCR 43** had been examined and found correctly enrolled. Said bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Senate Message

Announcing passage of **HB 500, HB 702, HB 703, HB 753, HB 754, HB 766, HB 818, HB 894, HB 424** with Senate Amendments, **HB 464** with Senate Amendment, **HB 576** with Senate Amendment, **HB 857** with Senate Amendment, **HJR 40** with Senate Amendment, **HJR 40** with Senate Amendment, **HB 462** with Senate Amendment, **HJR 34, HCR 78,** and **HCR 94.**

Orders of the Day

Representative Donnermeyer moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Donnermeyer moved that the following **HR 137** be adopted.

HR 137, A RESOLUTION honoring the Bellevue High School Tigers Football Team and their coaching staff.

WHEREAS, the Bellevue High School Tigers Team and coaching staff's performance earned the team an outstanding season of 12 wins and only 2 losses; and

WHEREAS, the Tigers efforts led them to victory as the Northern Kentucky Conference Champions in Class A high school football competition; and

WHEREAS, the Tigers won the district, regional, and semi-final games advancing them to the finals to win the Class A High School Championship at Fairgrounds Stadium in Louisville on November 23, 1979; and

WHEREAS, the team members' sportsmanship qualities, both on and off the playing field, have earned them a high reputation in Northern Kentucky and throughout the Commonwealth; and

WHEREAS, the endeavors of team members Jon Sutkamp, Jeff Sprague, Mike Sutkamp, Ted Pappas, Jeff Veatch, Charlie Sutkamp, Bill Pelgen, Dan Hein and Robbie Robinson contributed outstanding performances in the achievements of the Tigers 1979 season play;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives extends it heartiest congratulations to the Bellevue High School Tigers Football Team under the direction of Coach Fred Bernier and his staff.

Section 2. That when the House of Representatives adjourns this day, Friday, March 28, 1980, it does so in their honor.

Section 3. That the Clerk of the House of Representatives be directed to send sufficient copies of this resolution to Coach Fred Bernier, for distribution to the outstanding members of the Bellevue High School Tigers Football Team and the coaching staff.

HR 137 was adopted by voice vote.

Representative Donnermeyer moved the adoption of the following Legislative Citation No. 89:

The House of Representatives of the Commonwealth of Kentucky hereby extends its sincere congratulations to the Bellevue High School Football Team, your coach, Mr. Fred Bernier, and his staff for winning the Class A championship, played at Fairground Stadium in Louisville, Kentucky, November 23, 1979. Your outstanding record of 12-2 and capture of the NKAC Class A Conference Title as well as the Class A Conference Championship demonstrate that your team effort, sportsmanship and competitive spirit have made you the champions. We commend you on your hard work and excellent performance. We applaud you and extend our very best wishes for continued success. (Sponsored by Representative Donnermeyer)

Agreed.

Representative B. Richardson moved that **HB 712** be recommitted to the Committee on Judiciary. Agreed.

SB 216 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved that **SB 216** be passed.

On the roll call the vote was yeas 65-Adams, Barrows, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, Lewis, List, Little, Mann, May, McBee, McKinney, McNutt, Moberly, O'Brien, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, Richardson, B., Richardson, P., Riner, Romines, Sale, Schmidt, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Wright. Nays 0.

SB 216 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 216** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that **HB 682** be recommitted to the committee on Judiciary. Agreed.

Representative B. Richardson moved that **HB 700** be recommitted to the Committee on Judiciary. Agreed.

Representative B. Richardson moved that **HB 855** be recommitted to the Committee on Judiciary. Agreed.

Representative B. Richardson moved that **HB 573** be recommitted to the Committee on Judiciary. Agreed.

Representative B. Richardson moved that consideration of **SB 32** be deferred and that it retain its position. Agreed.

Representative B. Richardson moved that **HB 249** be recommitted to the Committee on Judiciary. Agreed.

SB 44, with Committee Amendment and Floor amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blythe moved that **SB 44** be passed.

Representative Blythe moved the adoption of the Floor Amendment No. 3 to **SB 44.**

On the roll call the vote was yeas 55-Adams, Allen, Arnold, Bennett, Blair, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Foster, Fryman, Gray, Holbrook, Isler, Jones, Kenton, Kidd, Layman, Lewis, Little, Lundergan, May, McBee, Moberly, Morris, Noe, Overstreet, Petty, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Smith, Stone, Stumbo, Turner, Van Horn, Weinberg, White, Williams, Worthington. Nays 30-Barrows, Bendl, Blythe, Boswell, Burnette, Caldwell, Cawood, Clarke, DeFalaise, Deskins, Dunn, Ellington, Farrow, Freibert, Haering, Hancock, Heleringer, Hines, LeMaster, List, McNutt, Nett, O'Brien, Priddy, Schmidt, Thomason, Tobin, Wilborn, Wright, Yates.

Floor Amendment No. 3 to **SB 44** was adopted.

Representative Thomason moved the adoption of the Committee Amendment No. 1 to **SB 44.** Agreed.

Representative Blythe moved the adoption of the Floor Amendment No. 1 to **SB 44.**

Representative Weinberg moved that Floor Amendment No. 1 be laid on the table.

On the roll call the vote was yeas 24-Blair, Brinkley, Brown, Caldwell, Curd, Cyrus, Davenport, Deskins, Gray, Head, Isler, Jones, Lewis, Little, Moberly, Rapier, Sale, Smith, Stone, Stumbo, Van Horn, Weinberg, White, Williams. Nays 47-Adams, Allen, Arnold, Barrows, Bennett, Blythe, Boswell, Burnette, Cawood, Clarke, Craddock, Crupper, DeFalaise, Donnermeyer, Ellington, Farrow, Freibert, Haering, Hancock, Hines, Holbrook, Holloway, Johnson, Kenton, Layman, List, Mann, May, McBee, Morris, Noe, O'Brien, Priddy, Richards, P. Richardson, Riner, Robinson, Romines, Schmidt, Thomason, Tobin, Turner, Wilborn, Wright, Yates.

The motion that Floor Amendment No. 1 to **SB 44** be laid on the table was rejected.

On the roll call the vote was yeas 33-Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Cawood, Crupper, Curd, Cyrus, Dawahare, Foster, Fryman, Gray, Haering, Hancock, Holbrook, Holloway, LeMaster, List, Lundergan, May, McBee, Morris, O'Brien, P. Richardson, Riner, Romines, Sale, Tobin, Van Horn, Williams, Yates. Nays 39-Adams, Allen, Barrows, Burnette, Caldwell, Clark, Clarke, Craddock, Davenport, Deskins, Ellington, Farrow, Freibert, Head, Isler, Johnson, Jones, Layman, Lewis, Little, Mann, Maynard, McNutt, Nett, Overstreet, Petty, Priddy, Reynolds, Richards, Schmidt, Smith, Stone, Stumbo, Thomason, Turner, Weinberg, Wilborn, Wright.

Floor Amendment No. 1 to **SB 44** was rejected.

Representative Blythe moved the adoption of the Floor Amendment No. 2 to **SB 44.** Rejected.

Representative Blythe moved that **SB 44,** as amended, be passed.

On the roll call the vote was yeas 40-Adams, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Burnette, Cawood, Clarke, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Freibert, Guenthner, Haering, Hancock, Heleringer, Holbrook, Holloway, Johnson, List, Mann, McBee, Morris, Nett, Noe, O'Brien, Petty, Priddy, Robinson, Romines, Schmidt, Thomason, Tobin, Wilborn, Wright, Yates. Nays 44-Allen, Brinkley, Bronger, Brown, Bruce, Caldwell, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Ellington, Farrow, Fryman, Gray, Head, Isler, Jones, Kenton, Layman, LeMaster, Little, May, Maynard, McNutt, Overstreet, Rapier, Richards, B. Richardson, P. Richardson, Sale, Stone, Stumbo, Turner, Van Horn, Weinberg, White, Worthington.

SB 44, as amended, was defeated.

Representative B. Richardson moved that the vote by which **SB 44,** as amended, was defeated be reconsidered and said motion be postponed indefinitely. Agreed.

SB 32, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bruce moved that **SB 32** be passed.

Representative Van Horn moved the adoption of the Floor Amendment No. 1 to **SB 32.** Agreed.

Representative Bruce moved that **SB 32,** as amended, be passed.

On the roll call the vote was yeas 76-Adams, Allen, Arnold, Barrows, Bennett, Blandford, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport,Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Fryman, Gray, Guenthner, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, Morris, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, B., Robinson, Romines, Sale, Schmidt, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Yates. Nays 7-Freibert, Haering, Hancock, Holloway, McNutt, Richardson, P., Wright.

SB 32, as amended, was passed and the title agreed to.

Representative Bruce moved that the vote by which **SB 32,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 32, as amended, was passed and the title agreed to.

Representative Bruce moved that the vote by which **SB 32,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

A petition was filed to remove **SB 278** from the Consent Orders of the Day.

SB 201 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 201** be passed.

On the roll call the vote was yeas 69-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Cyrus, Dawahare, DeFalaise, Donnermeyer, Ellington, Farrow, Freibert, Fryman, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, Layman, Lewis, Little, Lundergan, Mann, McBee, McKinney, Morris, Nett, O'Brien, Overstreet, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, B., Richardson, P., Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright. Nays 4-LeMaster, List, Thomas, Tobin.

SB 201 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 201** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that **HB 782** be recommitted to the Committee on Agriculture and Small Business. Agreed.

SB 163, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richrdson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 163** be passed.

Representative O'Brien moved the adoption of the Floor Amendment No. 4 to **SB 163.**

On the roll call the vote was yeas 20-Arnold, Bendl, Brinkley, Burch, Clark, DeFalaise, Haering, Hines, Holbrook, Holloway, Jones, Kenton, LeMaster, List, May, Maynard, O'Brien, Riner, Romines, Schmidt. Nays 58-Adams, Barrows, Blair, Blandford, Blythe, Boswell, Burnette, Caldwell, Cawood, Clapp, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Gray, Hancock, Head, Heleringer, Isler, Johnson, Kidd, Layman, Lewis, Little, Mann, McBee, McKinney, McNutt, Moberly, Morris, Noe, Petty, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Sale, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates.

Floor Amendment No. 4 to **SB 163** was rejected.

Representative Clapp moved the adoption of the Floor Amendment No. 1 to **SB 163.**

On the roll call the vote was yeas 72-Allen, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burnette, Clapp, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Ellington, Farrow, Foster, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Overstreet, Patrick, Petty, Plummer, Rapier, Reynolds, Richards, Richardson, B., Richardson, P., Riner, Romines, Sale, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 8-Barrows, Bendl, Caldwell, Cawood, Clarke, J., Schmidt, Smith, Wilborn.

Floor Amendment No. 1 to **SB 163** was adopted.

Representative Richards moved that **SB 163,** as amended, be passed.

Representative O'Brien requested a ruling of the Chair as to whether Floor Amendment No. 1 met the time requirement for filing.

The Speaker ruled Floor Amendment No. 1 did not meet the time for filing requirement.

Representative B. Richardson moved that the rules be suspended to make a motion in regard to filing of floor amendments.

On the roll call the vote was yeas 63-Adams, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Caldwell, Cawood, Clapp, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Farrow, Foster, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, Layman, Lewis, List, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, B., Richardson, P., Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Van Horn, Weinberg, White, Worthington. Nays 5-Bendl, Freibert, Nett, O'Brien, Schmidt.

The motion that the rules be suspended was adopted.

Representative B. Richardson moved that the time requirement for filing Floor Amendment No. 1 to **SB 163** be waived. Agreed.

Representative B. Richardson moved that the vote on Floor Amendment No. 1 to **SB 163** be reconsidered.

On the roll call the vote was yeas 64-Adams, Allen, Arnold, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Cawood, Clapp, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Donnermeyer, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kidd, Layman, LeMaster, Lewis, List, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Morris, Noe, Plummer, Rapier, Reynolds, Richards, Richardson, B., Richardson, P., Riner, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Worthington, Wright. Nays 6-Bendl, Blythe, Clarke, DeFalaise, O'Brien, Schmidt.

Floor Amendment No. 1 to **SB 163** was adopted.

Representative Richards moved that **HB 163,** as amended, be passed.

On the roll call the vote was yeas 78-Adams, Allen, Arnold, Barrows, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Isler, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Noe, Overstreet, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, B., Richardson, P., Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright. Nays 6-Bendl, Blythe, Clarke, DeFalaise, O'Brien, Schmidt.

SB 163, as amended was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 163,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 247, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Foster moved that **SB 247** be passed.

Representative White moved the adoption of the Floor Amendment No. 1 to **SB 247.** Agreed.

Representative Foster moved that **SB 247,** as amended, be passed.

On the roll call the vote was yeas 76-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Dunn, Farrow, Freibert, Fryman, Gray, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Reynolds, Richardson, B., Richardson, P., Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn. Nays 0.

SB 247, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 247,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 126 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cawood moved that **HCR 126** be passed.

Speaker Pro Tempore Hancock presiding.

On the roll call the vote was 79-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Dunn, Farrow, Foster, Gray, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Lewis, List, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, B., Richardson, P., Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn. Nays 0.

HCR 126 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HCR 126** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **HB 182, HB 271, HB 437, HB 476, HB 647, HB 675, HB 838, HB 609, HB 478** with Senate Amendment, **HB 604** with Senate Amendment, **HB 936** with Senate Amendment.

The following letter was received in regard to **HB 150:**

"The Senate has appointed the following members to serve on a Free Conference Committee on **HB 150:** Senators Bailey, Meyer, and Middleton."

Orders of the Day (continued)

Representative B. Richardson moved that the rules be suspended for the purpose of entertaining a motion. Agreed.

Representative Cawood moved that **SB 205** be taken from the Clerk's desk and placed in Orders of the Day.

On the roll call the vote was yeas 57-Adams, Arnold, Barrows, Bennett, Blandford, Boswell, Brinkley, Bruce, Burch, Caldwell, Cawood, Clapp, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Dunn, Farrow, Foster, Freibert, Gray, Heleringer, Holbrook, Holloway, Isler, Kidd, Layman, Lewis, List, Little, Mann, May, Maynard, McBee, McKinney, Noe, O'Brien, Overstreet, Patrick, Rapier, Richards, Richardson, B., Richardson, P., Riner, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn. Nays 0.

The motion that **SB 205** be taken from the Clerk's desk and placed in Orders of the Day was adopted.

Representative B. Richardson moved that the rules be suspended for the purpose of entertaining a motion. Agreed.

Representative Cawood moved that **SB 58** be taken from the clerk's desk and placed in Orders of the Day.

On the roll call the vote was yeas 45-Arnold, Bennett, Blythe, Boswell, Brown, Bruce, Caldwell, Cawood, Craddock, Curd, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Freibert, Heleringer, Hines, Isler, Kidd, Lewis, List, Little, Lundergan, May, McBee, McKinney, McNutt, Moberly, Morris, Noe, Petty, Rapier, Reynolds, Richardson, P., Riner, Romines, Smith, Stone, Stumbo, Thomason, Tobin, Van Horn, Weinberg, Wright. Nays 3-Haering, Holbrook, Schmidt.

The motion that **SB 58** be taken from the Clerk's desk and placed in Orders of the Day was adopted.

Representative B. Richardson moved that the rules be suspended for the purpose of entertaining a motion. Agreed.

Representative Overstreet moved that the vote on **SB 44** be reconsidered.

On the roll call the vote was yeas 52-Adams, Arnold, Barrows, Bendl, Bennett, Blythe, Boswell, Burch, Burnette, Cawood, Craddock, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, LeMaster, Lewis, List, Little, Mann, May, McBee, McNutt, Noe, Overstreet, Patrick, Plummer, Priddy, Reynolds, Richardson, B., Robinson, Romines, Sale, Schmidt, Thomason, Tobin, Van Horn, Wilborn, Wright, Yates. Nays 8-Blair, Caldwell, Crupper, Gray, P. Richardson, Stone, Stumbo, Weinberg.

The motion that the vote on **SB 44** be reconsidered was adopted.

Representative B. Richardson moved that **SB 44** be placed in Orders of the Day. Agreed.

SB 25, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative List moved the adoption of the Committee Amendment No. 1 to **SB 25.** Agreed.

Representative List moved that **SB 25,** as amended, be passed.

On the roll call the vote was yeas 59-Bendl, Bennett, Blair, Blandford, Blythe, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, DeFalaise, Deskins, Donnermeyer, Dunn, Foster, Freibert, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kidd, LeMaster, Lewis, List, Little, Mann, May, Maynard, McBee, McNutt, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Wilborn, Wright, Yates. Nays 16-Adams, Barrows, Boswell, Brown, Bruce, Cyrus, Dawahare, Fryman, Layman, Morris, Robinson, Thomas, Turner, Van Horn, Weinberg, White.

SB 25, as amended, was passed and the title agreed to.

Representative List moved that the vote by which **SB 25,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 11 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Weinberg moved that **SB 11** be passed.

On the roll call the vote was yeas 75-Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, LeMaster, Lewis, List, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Noe, Overstreet, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, P., Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 11 was passed and the title agreed to.

Representative Weinberg moved that the vote by which **SB 11** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 108, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 108** be passed.

Repesentative Weinberg moved the adoption of Floor Amendment No. 1 to **SB 108.** Agreed.

Representative B. Richardson moved that **SB 108,** as amended, be passed.

On the roll call the vote was yeas 82-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Mann, May, Maynard, McBee, McKinney, Moberly, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, B., Richardson, P., Riner, Robinson, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 5-Clarke, Freibert, Haering, McNutt, Nett.

SB 108, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 108,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 166, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative May moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Johnson moved that **SB 166** be passed.

Representative Priddy moved the adoption of the Floor Amendment No. 1 to **SB 166.**

Representative Johnson requested a ruling of the Chair as to whether Floor Amendment No. 1 was germane.

The Speaker ruled Floor Amendment No. 1 was not germane.

Repesentative Johnson moved that **SB 166** be passed.

On the roll call the vote was yeas 64-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bruce, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hines, Holbrook, Isler, Johnson, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Nett, Noe, Overstreet, Patrick, Priddy, Rapier, Richards, Richardson, P., Riner, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Wilborn, Worthington, Wright, Yates. Nays 0.

SB 166 was passed and the title agreed to.

Representative May moved that the vote by which **SB 166** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 268, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Worthington moved that **SB 268** be passed.

Representative Burnette moved the adoption of the Floor Amendment No. 1 to **SB 268.**

On the roll call the vote was yeas 61-Bennett, Blandford, Blythe, Boswell, Brinkley, Bruce, Burch, Burnette, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Fryman, Gray, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Layman, LeMaster, Lewis, Little, May, McBee, McNutt, Morris, Noe, O'Brien, Patrick, Priddy, Rapier, Reynolds, Richards, P. Richardson, Riner, Robinson, Schmidt, Stone, Thomason, Turner, Van Horn, White, Wright, Yates. Nays 29-Adams, Arnold, Barrows, Bendl, Blair, Brown, Caldwell, Cawood, Clarke, Freibert, Heleringer, Johnson, List, Lundergan, Mann, Maynard, McKinney, Moberly, Petty, Plummer, B.Richardson, Romines, Smith, Stumbo, Tobin, Weinberg, Wilborn, Williams, Worthington.

Floor Amendment No. 1 to **SB 268** was adopted.

Representative Worthington moved that **SB 268,** as amended, be passed.

On the roll call the vote was yeas 79-Arnold, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clapp, Craddock, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, LeMaster, Lewis, List, Little, Lundergan, May, Maynard, McBee, McNutt, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Riner, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 9-Adams, Bendl, Bruce, Clarke, Foster, Mann, Morris, Patrick, Robinson.

SB 268, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 268,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

The Speaker resumed the Chair.

SB 365, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved the adoption of the Committee Amendment No. 1 to **SB 365.** Agreed.

Representative Wilborn moved the adoption of the Floor Amendment No. 1 to **SB 365.** Agreed.

Representative Thomason moved that **SB 365** be laid on the Clerk's desk.

On the roll call the vote was yeas 62-Adams, Arnold, Boswell, Brinkley, Brown, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, DeFalaise, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, O'Brien, Overstreet, Patrick, Plummer, Rapier, Reynolds, Richards, Richardson, B., Riner, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Wright, Yates. Nays 6-Bendl, Bennett, Donnermeyer, Haering, Petty, Schmidt.

The motion that **SB 365** be laid on the Clerk's desk was adopted.

Representative B. Richardson moved that **HB 826** be recommitted to the Committee on Judiciary. Agreed.

Representative B. Richardson moved that **HB 565** be recommitted to the Committee on Judiciary. Agreed.

Representative B. Richardson moved that **HB 167** be recommitted to the Committee on Judiciary. Agreed.

Representative B. Richardson moved that **HB 957** be recommitted to the Committee on Labor and Industry. Agreed.

HR 109 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bendl moved that **HR 109** be adopted.

On the roll call the vote was yeas 61-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Donnermeyer, Farrow, Foster, Gray, Guenthner, Hancock, Heleringer, Hines, Isler, Kenton, Kidd, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Petty, Priddy, Rapier, Reynolds, Richardson, P., Robinson, Romines, Sale, Smith, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 11-Burnette, Caldwell, Clapp, Ellington, Freibert, Haering, Lewis, Patrick, Riner, Turner, Wright.

HR 109 was adopted and the title agreed to.

Representative B. Richardson moved that the vote by which **HR 109** was adopted be reconsidered and said motion be postponed indefinitely. Agreed.

SB 100 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved that **SB 100** be passed.

On the roll call the vote was yeas 79-Adams, Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, Dunn, Ellington, Farrow, Foster, Freibert, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kidd, Layman, LeMaster, Lewis, List, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, B., Richardson, P., Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 6-Bennett, DeMarcus, Fryman, Haering, Little, Petty.

SB 100 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 100** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 116, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Burch moved the adoption of the Committee Amendment No. 1 to **SB 116.** Agreed.

Representative Smith moved the adoption of the Floor Amendment No. 1 to **SB 116.** Agreed.

Representative Smith moved that **SB 116,** as amended, be passed.

On the roll call the vote was yeas 43-Bendl, Bennett, Blythe, Boswell, Bronger, Burch, Clark, Craddock, Curd, Davenport, Deskins, Donnermeyer, Dunn, Freibert, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kidd, List, Little, Lundergan, Mann, May, McKinney, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, Romines, Schmidt, Smith, Thomas, Van Horn, Weinberg, Williams, Yates. Nays 36-Adams, Arnold, Barrows, Bruce, Caldwell, Cawood, Clapp, Clarke, Crupper, Cyrus, DeFalaise, DeMarcus, Ellington, Farrow, Foster, Fryman, Gray, Haering, Johnson, Jones, Layman, Lewis, McBee, McNutt, Moberly, Morris, Overstreet, P. Richardson, Robinson, Stone, Stumbo, Tobin, Turner, White, Wilborn, Wright.

SB 116, as amended, was passed and the title agreed to.

Representative B. Richrdson moved that the vote by which **SB 116,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 124 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved that **SB 124** be passed.

On the roll call the vote was yeas 77-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Cawood, Clapp, Clark, Clarke, Craddock, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, May, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, B., Richardson, P., Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 8-Brown, Caldwell, Davenport, Fryman, Haering, Patrick, Turner, Wright.

SB 124 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 124** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 245, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved the adoption of the Committee Amendment No. 1 to **SB 245.** Agreed.

Representative Thomason moved the adoption of the Floor Amendment No. 1 to **SB 245.** Agreed.

Representative Thomason moved the adoption of the Floor Amendment No. 2 to **SB 245.** Agreed.

Representative Thomason moved that **SB 245,** as amended, be passed.

On the roll call the vote was yeas 69-Adams, Allen, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McBee, McKinney, Moberly, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, B., Richardson, P., Riner, Romines, Sale, Smith, Stone, Stumbo, Thomason, Williams. Nays 16-Arnold, Caldwell, Clarke, Freibert, Hearing, Layman, Maynard, Nett, Noe, Schmidt, Thomas, Turner, Van Horn, Weinberg, Wilborn, Worthington.

SB 245, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 245,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **HB 53, HB 147, HB 385, HB 668, HB 734, HB 741, HB 786, HB 416** with Senate Amendment, and **HB 488** with Senate Amendment.

Orders of the Day (continued)

SB 253 taken from the Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative List moved that **SB 253** be passed.

On the roll call the vote was yeas 18-Bendl, Blythe, Brinkley, Clarke, Freibert, Hancock, Hines, Kenton, LeMaster, List, Lundergan, Moberly, Priddy, Reynolds, B. Richardson, Sale, Stone, Wilborn. Nays 55-Adams, Allen, Arnold, Barrows, Bennett, Blandford, Boswell, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Guenthner, Haering, Head, Heleringer, Holloway, Isler, Jones, Layman, Lewis, Little, Mann, Maynard, McBee, McKinney, Nett, Noe, Overstreet, Patrick, Petty, Plummer, Rapier, P. Richardson, Robinson, Smith, Stumbo, Thomas, Tobin, Turner, Van Horn, Williams, Worthington, Wright, Yates.

SB 253 was defeated.

Representative B. Richardson moved that the vote by which **SB 253** was defeated be reconsidered and said motion be postponed indefinitely. Agreed.

SB 257, with Committee Amendments and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Amendment No. 1 to **SB 257.** Agreed.

Representative Clarke moved the adoption of the Floor Amendment No. 1 to **SB 257.** Agreed.

Representative Clarke moved that **SB 257,** as amended, be passed.

On the roll call the vote was yeas 71-Allen, Arnold, Bendl, Blair, Blandford, Boswell, Brinkley, Bronger, Burch, Cawood, Clapp, Clark, Clarke, Crupper, Curd, Davenport, DeFalaise, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Mann, May, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, Richardson, P., Riner, Sale. Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 257, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 257,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that consideration of **SB 14** be deferred and that it retain its position. Agreed.

SB 258, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Amendment No. 1 to **SB 258.** Agreed.

Representative Clarke moved that **SB 258,** as amended, be passed.

Representative Donnermeyer moved that **SB 258,** as amended, be laid on the Clerk's desk.

Representative Blandford moved that **SB 258,** as amended, be laid on the table.

On the roll call the vote was yeas 58-Adams, Allen, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Burch, Burnette, Caldwell, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Fryman, Gray, Guenthner, Heleringer, Holloway, Isler, Johnson, Kenton, Kidd, Layman, Lewis, Little, Mann, McBee, Nett, Noe, Overstreet, Patrick, Petty, Plummer, Rapier, Reynolds, Richards, B. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stumbo, Thomas, Tobin, Turner, Van Horn, White, Williams, Wright. Nays 24-Arnold, Barrows, Bendl, Cawood, Clarke, Craddock, Farrow, Foster, Freibert, Haering, Hancock, Hines, Jones, LeMaster, List, McNutt, Moberly, Priddy, P. Richardson, Sale, Stone, Thomason, Wilborn, Worthington.

SB 258, as amended, was laid on the table.

Recess

Representative B. Richardson moved that the House recess until 2:30 p.m.

On the roll call the vote was yeas 31-Adams, Allen, Arnold, Bendl, Brown, Clark, Crupper, Curd, DeMarcus, Ellington, Farrow, Foster, Fryman, Hines, Isler, Kenton, Kidd, List, Little Lundergan, Moberly, O'Brien, Rapier, Reynolds, Richards, Sale, Stumbo, Thomason, Turner, Van Horn, Wilborn. Nays 1-Overstreet.

The motion that the House recess was adopted.

At the appointed hours, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

SB 14, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gray moved that **SB 14** be passed.

Representative Heleringer moved the adoption of the Floor Amendment No. 1 to **SB 14.**

Representative Fryman moved that **SB 14** be laid on the table.

On the roll call the vote was yeas 12-Blythe, DeMarcus, Ellington, Fryman, Hancock, Layman, Overstreet, Rapier, P. Richardson, Robinson, Schmidt, Turner. Nays 62-Adams, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Deskins, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, Moberly, Noe, Petty, Plummer, Priddy, B. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright.

The motion that **SB 14** be laid on the table was rejected.

On the roll call the vote was yeas 48-Allen, Arnold, Barrows, Bendl, Blandford, Boswell, Brinkley, Bronger, Brown, Caldwell, Cawood, Crupper, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Guenthner, Hancock, Head, Heleringer, Hines, Isler, Layman, Lewis, Lundergan, Mann, Maynard, McBee, Moberly, Noe, O'Brien, Petty, Plummer, Rapier, Richardson, P., Riner, Schmidt, Smith, Stone, Stumbo, Thomas, Van Horn, White, Wilborn, Worthington, Wright. Nays 28-Adams, Bennett, Blythe, Bruce, Clarke J., Craddock, Curd, DeMarcus, Deskins, Ellington, Foster, Fryman, Gray, Haering, Kenton, Kidd, LeMaster, List, Little, McNutt, Overstreet, Priddy, Richardson B., Romines, Thomason, Tobin, Turner, Weinberg.

Floor Amendment No. 1 to **SB 14** was adopted.

Representative Gray moved that **SB 14,** as amended, be pased.

On the roll call the vote was yeas 52-Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Brown, Caldwell, Cawood, Clark, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Foster, Gray, Guenthner, Heleringer, Hines, Isler, Kidd, LeMaster, Little, Mann, McBee, McKinney, McNutt, Moberly, Nett, Noe, Petty, Plummer, Priddy, Richards, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomas, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright. Nays 36-Adams, Allen, Arnold, Blair, Bruce, Burnette, Clarke, Craddock, Crupper, Dawahare, DeFalaise, DeMarcus, Ellington, Farrow, Freibert, Fryman, Haering, Hancock, Head, Holbrook, Holloway, Kenton, Layman, Lewis, List, May, Maynard, Morris, O'Brien, Overstreet, Patrick, Rapier, P. Richardson, Robinson, Turner, Yates.

SB 14, as amended, was passed.

Representative Heleringer moved the adoption of the Floor Title Amendment No. 1 to **SB 14.** Agreed.

Representative B. Richardson moved that the vote by which **SB 14,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

A petition was filed to take **SB 77** from the Consent Orders of the Day.

SB 260 taken from the Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that the rules be suspended for the purpose of entertaining a motion. Agreed.

Representative B. Richardson moved that Senator Garrett's name be substituted as sponsor of this bill. Agreed.

Representative B. Richardson moved that **SB 260** be passed.

On the roll call the vote was yeas 73-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Hancock, Head, Heleringer, Hines, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Williams, Worthington, Wright, Yates. Nays 15-Allen, Blythe, Caldwell, Clarke, Jr., Ellington, Fryman, Guenthner, Haering, Holbrook, Holloway, Plummer, Robinson, Schmidt, Turner, Wilborn.

SB 260 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 260** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 270 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Davenport moved that **SB 270** be passed.

On the roll call the vote was yeas 74-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, List, Little, Mann, May, Maynard, McBee, McKinney, Morris, Nett, O'Brien, Plummer, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Wilborn, Williams, Yates. Nays 2-Overstreet, Worthington.

SB 270 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 270** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 277, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved the adoption of the Committee Substitute to **SB 277.** Agreed.

Representative Thomason moved that **SB 277,** by way of Committee Substitute, be passed.

Representative Mann moved the adoption of the Floor Amendment No. 1 to **SB 277.**

Representative Johnson moved that Floor Amendment No. 1 to **SB 277** be laid on the table.

On the roll call the vote was yeas 15-Barrows, Burnette, Clapp, Curd, Ellington, Farrow, Johnson, Layman, Lewis, Moberly, P. Richardson, Riner, Robinson, Turner, Wilborn. Nays 53-Adams, Allen, Arnold, Bendl, Bennett, Blair, Bronger, Burch, Caldwell, Cawood, Clarke, Craddock, Crupper, Cyrus, Davenport, DeFalaise, Deskins, Donnermeyer, Dunn, Freibert, Guenthner, Haering, Hancock, Heleringer, Holbrook, Isler, Jones, Kenton, LeMaster, List, Little, Lundergan, Mann, Maynard, McBee, McNutt, Morris, Nett, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, Romines, Schmidt, Smith, Stumbo, Thomason, Tobin, Van Horn.

The motion that Floor Amendment No. 1 to **SB 277** be laid on the table was rejected.

Representative Mann moved the adoption of the Floor Amendment No. 1 to **SB 277.**

On the roll call the vote was yeas 41-Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Clark, Clarke, Dawahare, DeFalaise, Donnermeyer, Dunn, Freibert, Guenthner, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, List, Lundergan, Mann, McBee, Moberly, O'Brien, Petty, Priddy, Rapier, B. Richardson, Romines, Schmidt, Smith, Stumbo, Van Horn, Wilborn, Williams, Yates. Nays 30-Allen, Blair, Bruce, Burch, Cawood, Craddock, Crupper, Curd, Cyrus, DeMarcus, Ellington, Farrow, Foster, Fryman, Haering, Johnson, Jones, Lewis, Little, McNutt, Noe, Plummer, Riner, Robinson, Sale, Stone, Tobin, Turner, Weinberg, White.

Floor Amendment No. 1 to **SB 277** was adopted.

Representative Barrows moved the adoption of Floor Amendment No. 2 to **SB 277.** Agreed.

Representative Thomason moved that **SB 277,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 48-Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clapp, Clarke, DeFalaise, Donnermeyer, Dunn, Freibert, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, LeMaster, List, Little, Lundergan, Man, Ma, McBee, Nett, O'Brien, Petty, Priddy, Rapier, B. Richardson, Romines, Sale, Schmidt, Smith, Stumbo, Thomas, Thomason, Van Horn, Wilborn, Williams. Nays 43-Adams, Allen, Arnold, Barrows, Blair, Brown, Bruce, Burch, Burnette, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, DeMarcus, Deskins, Ellington, Farrow, Foster, Fryman, Gray, Haering, Johnson, Layman, Lewis, Maynard, McNutt, Moberly, Morris, Noe, Overstreet, Plummer, Richards, P. Richardson, Riner, Robinson, Tobin, Turner, Weinberg, White, Wright, Yates.

SB 277, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 277,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended for Report of Committees. Agreed.

Report of Committees

The Committee on Rules reported **SB 363, SB 19, SB 39, SB 195, SB 341, SB 242, SB 265, SB 376,** have been posted for passage in Orders of the Day, March 28, 1980.

The Committee on Rules reported **SB 323, SB 275,** and **SB 329** have been posted for passage in Consent Orders of the Day, March 28, 1980.

The Committee on Rules reported **SB 323, SB 275,** and **SB 329** have been posted for passage in Consent Orders of the Day, March 28, 1980.

The Committee on Rules reported the following Bills have been recommitted: **HB 880** to the Committee on Judiciary, **HCR 67** to the Committee on State Government, **SB 193** to the Committee on Business Organizations and Professions, **HB 937** to the Committee on Judiciary, **SB 200** to the Committee on Appropriations and Revenues, **HB 910** to the Committee on Education.

The Committee on Health and Welfare reported **SB 342** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 342, AN ACT relating to prescriptions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 217.215 is amended to read as follows:

(1) The state board of pharmacy, its agents and inspectors shall have the same powers of inspection and enforcement as the department under KRS 217.005 to 217.215, insofar as it relates to drugs in *licensed pharmacies* [retail pharmacy].

(2) The board of pharmacy may establish regulations relating to the storage and retrieval of prescription records in licensed pharmacies, including regulations regarding computerized record keeping systems.

(3) No prescription for any drug may be refilled by a pharmacist unless authorized by the prescribing practictioner, except that the board of pharmacy may promulgate rules and regulations to permit a pharmacist to dispense up to a seventy-two (72) hour supply of maintenance medication in emergency situations in which such authorization may not be readily or easily obtained from the practitioner. Such emergency refills shall not be authorized for any controlled substance or for any drug which is not essential to maintenance of life or continuation of therapy in chronic disease conditions.

Speaker Pro Tempore Hancock presiding.

SB 44, as amended by Committee Amendment No. 1 and Floor Amendment No. 3, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative Weinberg moved that Floor Amendment No. 1 to **SB 44** be reconsidered. Agreed.

Representative Weinberg moved the adoption of the Floor Amendment No. 1 to **SB 44.**

Representative Stumbo requested a ruling of the Chair as to whether Floor Amendment No. 1 required a fiscal note.

The Speaker advised Representative Stumbo to make a motion to defer action on **SB 44** until fiscal note could be prepared.

Representative Stumbo moved that consideration of **SB 44** be deferred and that it retain its position.

On the roll call the vote was yeas 22-Barrows, Blythe, Caldwell, Crupper, DeFalaise, Deskins, Dunn, May, Maynard, Morris, Plummer, Rapier, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Van Horn, Weinberg. Nays 43-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brown, Bruce, Cawood, Clark, Clarke, Curd, Davenport, DeMarcus, Donnermeyer, Farrow, Freibert, Fryman, Guenthner, Haering, Isler, Jones, LeMaster, Lewis, List, Little, McBee, McKinney, McNUtt, Moberly, Nett, Petty, Priddy, Richards, B. Richardson, Thomason, Tobin, Turner, Wilborn, Wright, Yates.

The motion that consideration of **SB 44** be deferred and that it retain its position was rejected.

Representative Blythe moved the adoption of Floor Amendment No. 1 to **SB 44.** Rejected.

Representative Blythe moved that **SB 44,** as amended, be passed.

On the roll call the vote was yeas 67-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Bruce, Burch, Burnette, Cawood, Clapp, Clark, Clarke, Craddock, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Farrow, Gray, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Holloway, Jones, Kenton, LeMaster, Lewis, List, Mann, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Robinson, Romines, Sale, Schmidt, Smith, Thomas, Thomason, Tobin, Turner, Van Horn, Wilborn, Wright, Yates. Nays 15-Blair, Brinkley, Brown, Caldwell, Crupper, DeMarcus, Freibert, Isler, Little, Riner, Stone, Stumbo, Weinberg, White, Worthington.

SB 44, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 44,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **HB 296, HB 336, HB 340, HB 415, HB 417, HB 433, HB 518, HB 645, HB 656, HB 717, HB 719, HB 730, HB 732, HB 738, HB 791, HB 835, HB 852, HB 901, HB 909, HB 967, HCR 42, HB 141** with Senate Amendment, **HB 643** by way of Senate Committee Substitute as amended, **HB 704** with Senate Amendments, **HB 816** with Senate Amendments, and **HB 830** with Senate Amendments.

Speaker Kenton presiding.

Orders of the Day (continued)

SB 300 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Morris moved that **SB 300** be passed.

On the roll call the vote was yeas 76-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Haering, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, LeMaster, Lewis, List, Mann, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, Richardson, P., Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, White, Wilborn, Wright, Yates. Nays 1-Cawood.

SB 300 was passed and the title agreed to.

Representative Morris moved that the vote by which **SB 300** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 333, with Committee Substitute and Floor Amendment attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Substitute to **SB 333.** Agreed.

Representative List moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **SB 333.** Agreed.

Representative B. Richardson moved that **SB 333,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 66-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Haering, Head, Hines, Holloway, Isler, Jones, Kenton, LeMaster, List, Little, Mann, May, Maynard, McNutt, Moberly, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 333, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 333,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 302 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Burnette moved that **SB 302** be passed.

On the roll call the vote was yeas 76-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, dunn, Farrow, Foster, Freibert, Fryman, Gray, Head, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, LeMaster, Lewis, List, Little, Lundergan, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Richardson, Richardson, P., Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Williams, Worthington, Yates. Nays 0.

SB 302 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 302** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended for the purpose of entertaining a motion. Agreed.

Representative Burnette moved that Floor Amendment No. 1 to **SCR 18** and Floor Amendment No. 1 to **SCR 23** be withdrawn. Agreed.

SB 305, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. AGreed by a majority of members elected.

Representative Farrow moved the adoption of the Committee Substitute to **SB 305.** Agreed.

Representative Farrow moved that **SB 305,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 72-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell Brinkley, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Richards, Richardson, B., Richardson, P., Robinson, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Worthington, Wright. Nays 2-Gray, Rapier.

SB 305, by way of Committee Substitute, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 305,** way way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 500, HB 702, HB 703, HB 753, HB 754, HB 766, HB 818, HB 894, HJR 34, HCR 78, HCR 94, HB 182, HB 271, HB 437, HB 476, HB 647, HB 675, HB 838, HB 609, HB 786, HB 147, HB 53, HB 385, HB 734, HB 741,** and **HB 668** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 500, HB 702, HB 703, HB 753, HB 754, HB 766, HB 818, HB 894, HJR 34, HCR 78, HCR 94, HB 182, HB 271, HB 437, HB 476, HB 647, HB 675, HB 838, HB 609, HB 786, HB 147, HB 53, HB 385, HB 734, HB 741, and **HB 668** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Speaker Pro Tempore Hancock presiding.

Orders of the Day (continued)

SB 206, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Petty moved that **SB 206** be passed.

Representative Foster moved the adoption of the Committee Amendment No. 1 to **SB 206.**

On the roll call the vote was yeas 22-Adams, Allen, Bruce, Burnette, Craddock, DeFalaise, Farrow, Foster, Freibert, Haering, Johnson, Kidd, LeMaster, List, Lundergan, McNutt, Morris, Richards, Robinson, Stone, Van Horn, Wright. Nays 43-Barrows, Bennett, Blandford, Boswell, Bronger, Burch,Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Gray, Holbrook, Holloway, Isler, Jones, Layman, Little, Mann, May, Maynard, McBee, McKinney, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, P. Richardson, Schmidt, Smith, Stumbo, Thomas, Turner, Weinberg, White, Yates.

The Committee Amendment No. 1 to **SB 206** was rejected.

Representative Petty moved that **SB 206** be passed.

On the roll call the vote was yeas 55-Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Burnette, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Farrow, Gray, Guenthner, Head, Holbrook, Holloway, Isler, Johnson, Jones, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, Nett, Noe, O'Brien, Petty, Priddy, Rapier, B. Richardson, P. Richardson, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Van Horn, Weinberg, Worthington, Wright, Yates. Nays 24-Adams, Allen, Barrows, Blair, Bruce, Clarke, Craddock, Davenport, Foster, Freibert, Fryman, Haering, Kidd, Layman, LeMaster, List, McNutt, Moberly, Morris, Plummer, Robinson, Stumbo, Turner, Wilborn.

SB 206 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 206** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 340 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cawood moved that **SB 340** be passed.

On the roll call the vote was yeas 60-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burnette, Cawood, Clapp, Clark, Clarke, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Head, Hines, Holloway, Isler, Kidd, Little, Lundergan, Mann, May, McBee, McKinney, Moberly, Morris, Noe, O'Brien, Priddy, Richards, Richardson, B., Richardson, P., Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, Wilborn, Wright, Yates. Nays 17-Allen, Bronger, Caldwell, Crupper, Curd, DeFalaise, Ellington, Fryman, Jones, Layman, LeMaster, List, Overstreet, Plummer, Rapier, Turner, Worthington.

SB 340 was passed and the title agreed to.

Representative Cawood moved that the vote by which **SB 340** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Discharge petitions were filed to remove the following bills from Consent Orders of the Day: **SB 299, SB 308,** and **SB 291.**

Representative B. Richardson moved that consideration of **SB 20** be deferred and that it retain its position. Agreed.

SB 33 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved that **SB 33** be passed.

On the roll call the vote was yeas 57-Adams, Arnold, Barrows, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Dawahare, DeFalaise, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, LeMaster, Lewis, List, Lundergan, May, Moberly, Nett, Noe, O'Brien, Plummer, Priddy, Rapier, Richards, Sale, Schmidt, Smith, Stumbo, Thomason, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 11-Allen, Crupper, Ellington, Farrow, Foster, Fryman, Haering, Little, McKinney, McNutt, Richardson, P.

SB 33 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 33** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 339, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Amendment No. 1 to **SB 339.** Agreed.

Representative Clarke moved that **SB 339,** as amended, be passed.

On the roll call the vote was yeas 69-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holloway, Isler, Johnson, Kidd, LeMaster, Lewis, List, Lundergan, Mann, May, McBee, McNutt, Nett, Noe, Petty, Plummer, Priddy, Rapier, Richardson, Richardson, B., Richardson, P., Robinson, Romines, Sale, Schmidt, Smith, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright. Nays 1-Deskins.

SB 339, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 339,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 46 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative DeFalaise moved that the rules be suspended to change this Resolution to a simple Resolution. Agreed.

Representative DeFalaise moved the adoption of **HR 46.**

On the roll call the vote was yeas 65-Adams, Allen, Arnold, Barrows, Bendl, Blair, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Ellington, Farrow, Freibert, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kidd, Layman, LeMaster, Lewis, List, Lundergan, Mann, May, McBee, McNutt, Nett, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Romines, Sale, Schmidt, Stone, Thomas, Thomason, Van Horn, Weinberg, Wilborn, Williams, Wright, Yates. Nays 8-Deskins, Fryman, Little, Noe, Patrick, Stumbo, Turner, White.

HR 46 was adopted.

Representative B. Richardson moved that the vote by which **HR 46** was adopted be reconsidered and said motion be postponed indefinitely. Agreed.

A petition was filed on **SB 390** to remove it from the Consent Orders of the Day.

HR 116 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bendl moved the adoption of **HR 116.**

On the roll call the vote was yeas 80-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Morris, Nett, Noe, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Romines, Sale, Schmidt, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 0.

HR 116 was adopted.

SB 20, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holbrook moved the adoption of the Committee Amendment No. 1 to **SB 20.** Agreed.

Representative Holbrook moved that **SB 20,** as amended, be passed.

Representative Burch moved the adoption of the Floor Amendment No. 2 to **SB 20.**

On the roll call the vote was yeas 52-Adams, Bendl, Bennett, Boswell, Brinkley, Bronger, Burch, Burnette, Clark, Craddock, Crupper, Curd, Cyrus, DeFalaise, Donnermeyer, Dunn, Foster, Freibert, Guenthner, Heleringer, Holbrook, Holloway, Johnson, LeMaster, List, Little, Lundergan, Mann, May, McBee, Nett, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, Richardson, P., Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, Worthington, Wright. Nays 8-Barrows, Cawood, Farrow, Isler, Lewis, Moberly, Noe, Wilborn.

Floor Amendment No. 2 to **SB 20** was adopted.

Representative Holbrook moved that **SB 20,** as amended, be passed.

On the roll call the vote was yeas 73-Adams, Arnold, Bendl, Blair, Blythe, Boswell, Brinkley, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kidd, Layman, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Riner, Romines, Sale, Schmidt, Smith, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright. Nays 0.

SB 20, as amended, was passed and the title agreed to.

Representative Holbrook moved that the vote by which **SB 20,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 22, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative DeFalaise moved that **SB 22** be passed.

On the roll call the vote was yeas 61-Adams, Arnold, Barrows, Blair, Blandford, Boswell, Brinkley, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, LeMaster, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Petty, Priddy, Richards, Richardson, P., Romines, Sale, Smith, Thomas, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright. Nays 4-Allen, Bruce, Gray, Morris.

SB 22 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 22** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 58 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Weinberg moved the adoption of the Floor Amendment No. 2 to **SB 58.**

On the roll call the vote was yeas 36-Bennett, Blair, Blythe, Boswell, Brinkley, Bruce, Burch, Cawood, Cyrus, Dawahare, Deskins, Donnermeyer, Foster, Gray, Head, Heleringer, Isler, List, Little, Mann, May, McKinney, Morris, Noe, Overstreet, Richards, Richardson, B., Richardson, P., Romines, Sale, Smith, Stone, Weinberg, White, Wilborn, Worthington. Nays 32-Adams, Allen, Arnold, Barrows, Bendl, Burnette, Caldwell, Clapp, Clarke, J., Craddock, Crupper, Curd, DeFalaise, Dunn, Ellington, Farrow, Freibert, Fryman, Guenthner, Haering, Holloway, Johnson, Jones, Layman, McNutt, O'Brien, Rapier, Schmidt, Thomas, Thomason, Van Horn, Wright.

Floor Amendment No. 2 to **SB 58** was adopted.

Representative Cawood moved the adoption of the Floor Amendment No. 4 to **SB 58.**

On the roll call the vote was yeas 37-Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Cawood, Clark, Cyrus, Dawahare, Deskins, Dunn, Farrow, Gray, Head, Isler, Kenton, Kidd, Lewis, Little, May, Overstreet, Petty, P. Richardson, Sale, Smith, Stone, Stumbo, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 30-Adams, Allen, Barrows, Bendl, Burnette, Clapp, Clarke, Craddock, Curd, Davenport, DeFalaise, Foster, Freibert, Fryman, Haering, Holloway, Johnson, Jones, Layman, LeMaster, List, McNutt, O'Brien, Plummer, Rapier, Richards, Schmidt, Thomason, Turner, Wright.

Floor Amendment No. 4 to **SB 58** was adopted.

Representative Weinberg moved that **SB 58,** as amended, be passed.

Representative Wilborn moved the adoption of the Floor Amendment No. 6 to **SB 58.** Agreed.

Representative Weinberg moved that **SB 58,** as amended be passed.

On the roll call the vote was 48-Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Cawood, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Gray, Head, Hines, Isler, Kenton, Kidd, Lewis, Little, Mann, May, McBee, McKinney, Moberly, Morris, Noe, Petty, Priddy, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 39-Adams, Allen, Arnold, Barrows, Bendl, Burnette, Caldwell, Clapp, Craddock, Crupper, Curd, Davenport, DeFalaise, Ellington, Farrow, Foster, Freibert, Fryman, Haering, Heleringer, Holloway, Johnson, Jones, Layman, LeMaster, List, McNutt, Nett, O'Brien, Patrick, Plummer, Rapier, Richards, Riner, Schmidt, Thomason, Turner, Wilborn, Wright.

SB 58, as amended, was passed and the title agreed to.

Representative Schmidt requested a ruling of the Chair in regard to the number of votes required for passage of **SB 58.**

The Speaker ruled the number of votes required for passage was 51; therefore, **SB 58,** as amended, was defeated.

Representative B. Richardson moved that the rules be suspended for the purpose of entertaining a motion. Agreed.

Representative LeMaster moved that the vote on **SB 58** be reconsidered.

On the roll call the vote was yeas 50-Arnold, Bennett, Blair, Blandford, Boswell, Bronger, Brown, Bruce, Cawood, Craddock, Cyrus, Dawahare, Deskins, Donnnermeyer, Dunn, Farrow, Foster, Gray, Head, Heleringer, Holbrook, Isler, Jones, LeMaster, Lewis, Mann, May, McBee, McNutt, Morris, Noe, Overstreet, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Turner, Van Horn, Weinberg, White, Williams, Worthington. Nays 14-Allen, Barrows, Burnette, Caldwell, Clarke J., Crupper, Curd, Davenport, Ellington, Freibert, Fryman, Patrick, Plummer, Schmidt.

The motion that the vote on **SB 58,** as amended, be reconsidered was adopted.

Representative B. Richardson moved that **SB 58** be placed in Orders of the Day. Agreed.

Representative B. Richardson moved that **SB 174** be recommitted to the Committee on State Government. Agreed.

Recess

Representative B. Richardson moved that the House recess until 7:30 p.m.

On the roll call the vote was yeas 26-Arnold, Bendl, Boswell, Bronger, Brown, Burch, Clark, Crupper, Donnermeyer, Farrow, Heleringer, Isler, Lewis, May, McBee, Moberly, Noe, Priddy, Richardson, B., Richrdson, P., Smith, Stumbo, Turner, Van Horn, Weinberg, Wilborn. Nays 5-Blythe, Deskins, Haering, Overstreet, Plummer.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 100, SB 124, HB 166, SB 201. SB 216, SB 237** had been examined and found correctly enrolled. Said bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Senate Message

Announcing passage of **HB 973.**

Orders of the Day (continued)

SB 56 taken from the Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved that **SB 56** be passed.

On the roll call the vote was yeas 75-Adams, Arnold, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwel, Cawood, Clapp, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Head, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Lewis, List, Little, Lundergan, Mann, McBee, McKinney, Moberly, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Richardson B., Richardson, P., Riner, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0..

SB 56 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 56** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 152, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved the adoption of the Floor Amendment No. 1 to **SB 152.** Agreed.

Representative Cyrus moved that **SB 152,** as amended, be passed.

On the roll call the vote was yeas 79-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Haering, Hancock, Head, Hines, Holloway, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richardson, B., Richardson, P., Riner, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Worthington, Wright, Yates. Nays 0.

SB 152, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 152** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 227 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Van Horn moved that **SB 227** be passed.

On the roll call the vote was yeas 82-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Richardson, B., Richardson, P., Riner, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Robin, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates, Nays 1-DeFalaise.

SB 227 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 227** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 284 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative O'Brien moved that **SB 284** be passed.

On the roll call the vote was yeas 71-Adams, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, Donnermeyer, Ellington, Foster, Freibert, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Morrris, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richardson, B., Richardson, P., Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Wilborn, Williams, Worthington, Wright, Yates. Nays 5-Barrows, Caldwell, Farrow, Moberly, Thomas.

SB 284 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 284** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 292, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Amendment No. 1 to **SB 292.** Agreed.

Representative B. Richardson moved that **SB 292,** as amended, be passed.

On the roll call the vote was yeas 51-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Brown, Bruce, Cawood, Clapp, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Foster, Guenthner, Hancock, Head, Heleringer, Hines, Isler, Johnson, Jones, Kenton, Kidd, Little, Lundergan, May, McBee, McKinney, Moberly, Morris, O'Brien, Overstreet, Petty, Priddy, Rapier, Richardson, B. Richardson, P. Richardson, Romines, Smith, Stone, Tobin, Yates. Nays 27-Blair Blythe, Burnette, Caldwell, Clark, Clarke, Dunn, Ellington, Farrow, Freibert, Fryman, Haering, Layman, LeMaster, Lewis, List, McNutt, Nett, Plummer, Robinson, Schmidt, Stumbo, Thomason, Turner, Van Horn, Wilborn, Wright.

SB 292 was passed and the title agreed to.

Representative b. Richardson moved that the vote by which **SB 292** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 293 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Morris moved that **SB 293** be passed.

On the roll call the vote was yeas 60-Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Ellington, Farrow, Foster, Freibert, Fryman, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, List, Little, Lundergan, May, McBee, McKinney, Morris, Noe, O'Brien, Petty, Rapier, Richardson, B., Romines, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, White, Wright, Yates. Nays 6-Clarke, J., Haering, Lewis, McNutt, Stumbo, Wilborn.

SB 293 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 293** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 315, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative O'Brien moved the adoption of the Floor Amendment No. 2 to **SB 315.** Agreed.

Representative O'Brien moved the adoption of the Floor Amendment No. 3 to **SB 315.**

On the roll call the vote was yeas 50-Bennett, Blythe, Boswell, Bronger, Bruce, Burch, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Mann, May, McBee, Morris, Nett, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Stumbo, Van Horn, Wilborn, Williams, Wright, Yates. Nays 37-Adams, Arnold, Barrows, Blair, Blandford, Brown, Burnette, Caldwell, Cawood, Cyrus, Deskins, Ellington, Foster, Freibert, Fryman, Head, Johnson, Layman, LeMaster, Lewis, List, Little, Lundergan, McKinney, McNutt, Moberly, Noe, Richardson, Robinson, Smith, Stone, Thomas, Thomason, Tobin, Turner, White, Worthington.

Floor Amendment No. 3 to **SB 315** was adopted.

Representative Heleringer moved the adoption of the Floor Amendment No. 1 to **SB 315.**

Representative Romines moved that Floor Amendment No. 1 to **SB 315** be laid on the table.

On the roll call the vote was yeas 36-Bennett, Boswell, Brown, Bruce, Burch, Burnette, Clapp, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Dunn, Ellington, Farrow, Fryman, Haering, Isler, Jones, Layman, Lewis, Little, May, McKinney, Morris, O'Brien, Patrick, Riner, Robinson, Romines, Stone, Van Horn, White, Williams, Wright, Yates. Nays 46-Adams, Arnold, Barrows, Bendl, Blandford, Blythe, Bronger, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, DeFalaise, Deskins, Donnermeyer, Foster, Guenthner, Hancock, Heleringer, Hines, Holloway, Kenton, Kidd, LeMaster, List, Lundergan, Mann, McBee, McNutt, Moberly, Nett, Noe, Petty, Priddy, Rapier, B. Richardson, P. Richardson, Schmidt, Smith, Stumbo, Thomas, Tobin, Turner, Wilborn, Worthington.

The motion that Floor Amendment No. 1 to **SB 315** be laid on the table was rejected.

Representative Heleringer moved the adoption of the Floor Amendment No. 1 to **SB 315.**

On the roll call the vote was yeas 27-Bennett, Blythe, Bronger, Bruce, Burch, Clapp, DeFalaise, Donnermeyer, Dunn, Haering, Heleringer, Hines, Holloway, Isler, Kidd, Lewis, McBee, Morris, O'Brien, Petty, Riner, Romines, Stumbo, Williams, Worthington, Wright, Yates. Nays 55-Adams, Arnold, Barrows, Blair, Blandford, Boswell, Brinkley, Brown, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeMarcus, Deskins, Ellington, Farrow, Foster, Freibert, Fryman, Hancock, Head, Johnson, Jones, Kenton, Layman, LeMaster, List, Lundergan, May, McKinney, McNutt, Moberly, Nett, Noe, Overstreet, Rapier, B. Richardson, P. Richardson, Robinson, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn.

Floor Amendment No. 1 to **SB 315** was rejected.

Representative B. Richardson moved that the vote on Floor Amendment No. 3 to **SB 315** be reconsidered.

Representative Thomason moved that **SB 315** be laid on the Clerk's desk.

Representative Gray moved that **SB 315** be laid on the table.

On the roll call the vote was yeas 38-Bennett, Blair, Boswell, Bronger, Brown, Bruce, Burch, Burnette, Clapp, Clark, Curd, Cyrus, DeMarcus, Dunn, Ellington, Freibert, Fryman, Gray, Haering, Heleringer, Isler, Layman, Lewis, McKinney, O'Brien, Patrick, Plummer, Priddy, Riner, Robinson, Romines, Stone, Stumbo, Van Horn, White, Williams, Wright, Yates. Nays 42-Adams, Arnold, Barrows, Bendl, Blythe, Brinkley, Caldwell, Cawood, Clarke, Craddock, Crupper, DeFalaise, Deskins, Donnermeyer, Farrow, Foster, Guenthner, Hancock, Head, Holloway, Johnson, Jones, Kenton, LeMaster, List, Mann, May, McBee, McNutt, Moberly, Nett, Petty, Richards, B. Richardson, P. Richardson, Schmidt, Thomas, Thomason, Tobin, Turner, Wilborn, Worthington.

The motion that **SB 315** be laid on the table was rejected.

On the roll call the vote was yeas 65-Adams, Arnold, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Crupper, Curd, Cyrus, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Holloway, Isler, Jones, Kenton, Layman, LeMaster, List, Little, Mann, May, McBee, McKinney, Moberly, Nett, O'Brien, Overstreet, Petty, Priddy, Rapier, Richardson, P., Riner, Robinson, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Wright, Yates. Nays 4-Bennett, Clark, P., Schmidt, Williams.

The motion that **SB 315** be laid on the Clerk's desk was adopted.

SB 187, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holbrook moved the adoption of **SB 187.**

On the roll call the vote was yeas 42-Bendl, Bennett, Blair, Blythe, Bronger, Burch, Cawood, DeFalaise, Donnermeyer, Dunn, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, Mann, McBee, Moberly, Nett, O'Brien, Petty, Priddy, Rapier, Romines, Schmidt, Smith, Thomas, Thomason, Van Horn, Wilborn, Williams, Yates. Nays 40-Adams, Arnold, Blandford, Boswell, Brinkley, Brown, Bruce, Burnette, Caldwell, Clark, Clarke, Craddock, Crupper, Curd. Chrus, DeMarcus, Ellington, Farrow, Foster, Gray, Head, Johnson, Layman, Little, May, McKinney, McNutt, Morris, Noe, Patrick, Richards, B. Richardson, Riner, Robinson, Stone, Stumbo, Turner, Weinberg, White, Wright.

SB 187 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 187** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 215 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 215** be passed.

On the roll call the vote was yeas 73-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, May, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Richards, Richardson, B., Riner, Robinson, Romines, Schmidt, Smith, STone, Thomas, Thomason, Turner, Van Horn, Wilborn, Worthington, Wright, Yates. Nays 0.

SB 215 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 215** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 229 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 229** be passed.

On the roll call the vote was yeas 70-Adams, Arnold, Blair, Blandford, Blythe, Boswell, Brinkley, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, DeFalaise, Donnermeyer, Dunn, Farrow, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Riner, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 0.

SB 229 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 229** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 364, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Speaker Pro Tempore Hancock presiding.

Representative O'Brien moved the adoption of the Committee Amendment No. 1 to **SB 364.** Agreed.

Representative O'Brien moved that **SB 364,** as amended, be passed.

On the roll call the vote was yeas 76-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, May, McBee, McKinney, McNutt, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Riner, Romines, Smith, Stone, Thomas, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 364, as amended, was passed and the title agreed to.

Representative B. Richardson moved that consideration of **SB 389** be deferred and that it retain its position in Orders of the Day. Agreed.

Representative B. Richardson moved that **HB 380** be recommitted to the Committee on Judiciary. Agreed.

Representative B. Richardson moved that **HB 519** be recommitted to the Committee on Judiciary. Agreed.

HB 420, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Van Horn moved the adoption of the Committee Amendment No. 1 to **HB 420.** Agreed.

Representative Van Horn moved the adoption of the Committee Amendment No. 2 to **HB 420.** Agreed.

Representative Van Horn moved that **HB 420,** as amended, be passed.

On the roll call the vote was yeas 69-Adams, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Craddock, Crupper, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, Lewis, List, Little, May, McBee, Moberly, Nett, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Richards, Richardson, P., Riner, Robinson, Romines, Smith, Stone, Stumbo, Thomas, Turner, Van Horn, Weinberg, White, Williams, Wright, Yates. Nays 5-Clapp, Mann, Richardson, B., Schmidt, Worthington.

HB 420, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 420,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 181 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Weinberg moved that **SB 181** be passed.

On the roll call the vote was yeas 68-Adams, Arnold, BEndl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, LeMaster, List, May, McBee, McNutt, Moberly, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, Richardson, B., Richardson, P., Riner, Robinson, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Williams, Worthington, Wright, Yates. Nays 7-Barrows, Caldwell, Clapp, Clarke, J., Haering, Schmidt, Wilborn.

SB 181 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 181** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 214 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Burch moved that **SB 214** be passed.

On the roll call the vote was yeas 61-Adams, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Burnette, Caldwell, Cawood, Clapp, Clarke, Curd, Cyrus, DeFalaise, Dunn, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kidd, LeMaster, List, Little, May, McKinney, Moberly, Nett, Noe, O'Brien, Patrick, Petty, Plummer, Priddy, Richards, Richardson, B., Romines, Schmidt, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 3-Ellington, Fryman, Overstreet.

SB 214 was passed and the title agreed to.

A petition was filed to remove **SB 323** from the Consent Orders of the Day.

SB 326 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Amendment No. 1 to **SB 326.** Agreed.

Representative B. Richardson moved that **SB 326,** as amended, be passed.

On the roll call the vote was yeas 28-Barrows, Bendl, Brinkley, Caldwell, Cawood, Clarke, Craddock, Cyrus, Hancock, Hines, Holbrook, Isler, JOnes, Kenton, Kidd, LeMaster, Lundergan, May, Moberly, Noe, O'Brien, Petty, Richards, B. Richardson, Stone, Thomason, Weinberg, Wilborn. Nays 54-Adams, Bennett, Blair, Blandford, Blythe, Boswell, Bruce, Burch, Burnette, Clapp, Clark, Crupper, Curd, DeFalaise, Deskins, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Holloway, Johnson, Layman, Lewis, Mann, McBee, McKinney, McNutt, Morris, Nett, Overstreet, Patrick, Plummer, Rapier, P. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stumbo, Thomas, Turner, Van Horn, White, Williams, Worthington, Wright.

SB 326 was defeated.

Representative B. Richardson moved that the vote by which **SB 326** was defeated be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Schmidt moved that the rules be suspended to allow **SCR 9 to** be read for the first time today, for the second time tomorrow, and be placed first in Orders of the Day on Monday.

The chair ruled the motion out of order.

An appeal to the ruling of the Chair was filed by Representatives Schmidt and Caldwell.

Speaker Kenton presiding.

On the roll call the vote was yeas 40-Adams, Barrows, Bendl, Bennett, Blandford, Blythe, Bruce, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Deskins, Dunn, Ellington, Foster, Gray, Head, Hines, Kenton, LeMaster, List, Little, Lundergan, May, McNutt, Moberly, Morris, O'Brien, Rapier, Richards, B. Richardson, Stone, Stumbo, Thomason, Weinberg, Wilborn, Williams, Worthington. Nays 25-Bronger, Burnette, Caldwell, DeFalaise, Freibert, Fryman, Guenthner, Haering, Heleringer, Holloway, Layman, Lewis, Mann, McBee, McKinney, Overstreet, Patrick, Petty, Plummer, Riner, Schmidt, Smith, Turner, Van Horn, Wright.

The ruling of the Chair was upheld.

Speaker Pro Tempore Hancock presiding.

Representative B. Richardson moved that consideration of all Bills and Resolutions remaining in Orders of the Day be deferred and that they retain their position. Agreed.

Motions, Petitions, and Communications

Representative B. Richrdson moved that when the House adjourns, it do so until 10:00 a.m., Saturday, March 29, 1980. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so by voice vote. Agreed.

Representative B. Richardson moved that the rules be suspended for Introduction of Resolutions and Report of Committees. Agreed.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 3 to the Committee Substitute fo **SB 31,** by Representative Barrows:

Amend printed copy of Committee Substitute for **SB 31,** page 1, line 9, after the word "exceedingly" by inserting the figure "*$3,000*" and by placing brackets "[]" around the figure "$1,500".

Floor Amendment No. 2 to the Committee Substitute to **SB 31,** by Representative Barrows:

Amend printed copy of Committee Substitute for **SB 31** as follows:

Page 1, line 9 after the word "exceedingly" by inserting the figure $*$3,000*" and by placing brackets "[]" around the figure "$1,500";

and on page 7, by deleting lines 22 through 26 in their entirety;

and on page 8, by deleting lines 1 and 2 in their entirety;

and on page 8, line 3, by changing "Section 11" to "Section 10".

Floor Amendment No. 3 to **SB 341,** by Representative Richards:

Amend printed copy of **SB 341,** page 17, line 8, by adding the following after line 8:

"Section 15. KRS 158.030 is amended to read as follows:

[(1)] A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by *October* [September] 1, 1979, and any year thereafter, shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by *October* [September] 1, 1979, and any year thereafter, may enter a public school kindergarten. Any child who has successfully completed kindergarten during the school year *1979-80* [1978-79] shall be eligible for enrollment in the first grade for the school year *1980-81* [1979-80] notwithstanding any other age requirements of this section, *and any child who attended nursery school during the 1979-80 school year and will be five years of age on or before December 31, 1980, shall be eligible for enrollment in a public kindergarten program for the 1980-81 school year.*

[(2) The parents or legal guardian of any child who becomes five (5) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter kindergarten at the beginning of the school year in which the child becomes five (5).

(3) The parent or legal guardian or any child who becomes six (6) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter first grade at the beginning of the school year in which the child becomes six (6).

(4) The state board for elementary and secondary education shall establish procedures for consideration of such petitions including readiness testing and such other measures as may be deemed necessary.]"

Floor Title Amendment No. 2 to **SB 341,** by Representative Richards:

Amend printed copy of **SB 341,** Title, as follows:

Delete "exceptional children" and insert "public schools" in lieu thereof.

Floor Amendment No. 2 to **SB 14,** by Representative Williams:

Amend printed copy of **SB 14,** page 2, below line 4, by adding the following:

"Section 2. A NEW SECTION OF KRS CHAPTER 336 IS CREATED TO READ AS FOLLOWS:

(1) No employer, except for banks, savings and loans, and law enforcement agencies, shall require an employe or applicant for employment to submit to a polygraph examination at any time prior to, or during his employment.

(2) No employer shall coerce, threaten, fire, demote, discipline, refuse to hire, or otherwise discriminate against an employe who refuses to take a polygraph examination requested by the employer.

(3) Any employe or applicant for employment may maintain an action for lost wages or other damages from an employer prospective employer for violations of this section. In the event the employe or applicant for employment prevails in the lawsuit, he shall be entitled to double damages."

Floor Title Amendment No. 2 to **SB 14,** by Representative Williams:

Amend printed copy of **SB 14,** Title, as follows:

Amend the title to delete "wage discrimination" and to insert in lieu thereof "employer and employe".

Floor Amendment No. 1 to the Committee Substitute to **SB 251,** by Representative B. Richardson:

Amend printed copy of Committee Substitute for **SB 251,** page 1, line 8, by inserging after "*If*" the following:

"*A decedent has formally acknowledged paternity of an illegitimate person by affidavit or if*"

and on page 1, line 9, by deleting "*or after his death*";

and on page 1, line 10, by inserting after "*illegitimate person*" before the comma the following: "*in a paternity action*";

and on page 1, line 18, by inserting after "*jurisdiction*" before the comma the following: "*in a paternity action*";

and on page 1, line 19, by inserting before the semicolon the following: "*or if he formally acknowledged paternity by affidavit, such affidavit creates a presumption of a paternity.*";

and on page 1, line 19, by deleting "*; but in all other cases*";

and on page 1, by deleting line 20 in its entirety;

and on page 1, line 21, by deleting "*dence.*";

and on page 2, line 8, by inserting before the period "*in a paternity action*".

Floor Amendment No. 1 to **SB 39,** by Representative Donnermeyer:

Amend printed copy of **SB 39,** page 2, line 6, by deleting subsection (2) in its entirety and renumbering subsequent subsections accordingly.

Floor Amendment No. 2 to **SB 246,** by Representative Jones:

Amend printed copy of **SB 246,** page 1, after the enacting clause by inserting:

"Section1. KRS 186.412 is amended to read as follows:

(1) Every person seeking a license, or a renewal of a license for the operation of a motor vehicle, motorcycle, moped or a non-driver identification card shall apply in person to the circuit court clerk of the county in which the applicant resides and shall make application upon a form furnished by the department of transportation. The application form shall contain and shall require the full and legal name and signature, date of birth, social security number, sex, present resident address of the applicant and briefly describe the applicant. It shall also state whether the applicant has previously been licensed as an operator and if so, when and by what state or county, whether any license has ever been canceled, suspended, revoked or refused, and if so, the date of and reason for the cancellation, suspension, revocation or refusal, and such other information as may be required.

(2) The department of transportation shall issue a plastic laminated operator's license bearing thereon a color photograph of the licensee, which photograph shall be taken by the circuit clerk in such a manner that one exposure will photograph the applicant and the application simultaneously, using the process determined under provisions of KRS 186.413.

(3) Every applicant shall make oath to the circuit clerk as to the truthfulness of the statements contained in the form.

(4) The clerk may, after determining that the applicant has fully complied with the law governing applications, issue a temporary operator's license to be valid for not more than ninety (90) days. Such temporary license shall be valid in lieu of the permanent license during the certification period and must be destroyed upon receipt of the permanent operator's license.

(5) Every person seeking a color photo non-driver identification card may apply in person to the circuit clerk in the county in which he resides. Every applicant shall make oath to the circuit clerk as to the truthfulness of the statements contained on the form.

(6) Military personnel and other licensed drivers temporarily out-of-county may be issued a license without a photograph. The license shall show in the space provided for the photograph the legend "valid without photo."

(7) The department shall provide on each license to operate motor vehicles or motorcycles issued a statement whereby the owner of such license may certify in the presence of two witnesses his willingness to make an anatomical gift under KRS 311.195.

(8) If a married or previously married person has elected to use or retain a birth, former, or hyphenated name, then such person may be issued an operator's license in such birth, former, or hyphenated name, so long as the name is not used for fraudulent purposes."; and on

Page 1, line 1 by renumbering Section 1 to read Section 2.

Floor Amendment No. 2 to **SB 365,** by Representative Thomason:

Amend printed copy of **SB 365,** page 2, line 21 by deleting "117.110" and inserting in lieu thereof "172.110".

Floor Amendment No. 1 to **SB 236,** by Representative Bennett:

Amend printed copy of **SB 236,** page 78, line 12 after "ing" by inserting "Sections 1 through 71 of";

and on page 78, line 13, after "1981-82" insert the following:

"Section 72. KRS 64.012 is amended to read as follows:

The county clerk shall receive for the following services the following fees:

Recording deed of trust or assignment for the benefit of creditors, provided the entire record thereof does not exceed three pages	$ *6.00*[5.00]
Exceeding three pages, for each page	1.50
Copy and certification of same when ordered	3.50
Each bond required to be taken or prepared by the clerk	2.00
Copy of any bond when ordered	1.50
Recording a bond, each bond	*7.00*[5.00]
Receiving the acknowledgment or proof of any deed, mortgage or agreement, power of attorney, or other written instrument required by law to be done and certifying same	1.25
Recording the conveyance of personal property, taking the acknowledgement, and recording the orders and certificates	*6.00*
Certified copy of conveyance of personal property	*5.00*
Recording easements	*6.00*
Taking the acknowledgment or proof of a deed of real estate, certifying and recording the same and recording his own certificate, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Certified copy of deed	*5.00*[3.50]
Recording a mortgage of real estate, certificates, and all services connected with the same, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Certified copy of real estate mortgage	*5.00*[3.50]
Recording deed of assignment of real estate mortgage	*6.00*[5.00]
Noting release of any lien, mortgage or redemption other than a deed of release	1.50

Receiving the acknowledgment, recording and certifying each deed of release of a mortgage or lien under KRS 382.360	*6.00*[5.00]
Each additional marginal notation relating to same instrument	1.50
Marginal notation only	*1.50*
Making a record for the establishment of a city, recording the plan or plat thereof, and all other services incident	10.00
Recording survey of a city, or any part thereof, or any addition to or extensions of the boundary of a city	10.00
Every order concerning the establishment, changing, closing or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed or discontinued, and by the applicant when it is not	1.00
Administering an oath and certificate thereof	1.00
Issuing license for which no other fee is fixed by law	*6.00*[1.50]
Marriage license, bond, certificate and recording	*6.50*[4.00]
Certified copy of marriage license	*3.50*
For filing and indexing an original or continuation financing statement, and noting the security interest on the required receipt for one motor vehicle	*7.00*[6.00]
For filing and indexing an assignment of a financing statement	*8.00*[6.00]
For filing and amending a financing statement	*8.00*
For filing and noting a statement of release of collateral under a financing statement	1.00
Recording real estate options, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Recording power of attorney or revocation of power of attorney, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Recording plats, maps and surveys, not exceeding 18 inches by 24 inches, per page	*11.00*[10.00]
Recording all leases which are recordable by law, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Marginal notation to same instrument	1.50
Filing or recording of certification of intention to operate a business under an assumed name	*7.00*[5.00]
Filing or recording of mechanic's and artisan's liens under KRS Chapter 376	*6.00*[5.00]
Filing or recording of notice of lien issued by the Internal Revenue Service, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Filing or recording of notice of lien discharges issued by the Internal Revenue Service, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Each additional lien relating to the same instrument	*1.50*
Exceeding three (3) pages, for each page	*1.50*
Filing or recording of lis pendens notice concerning proceedings in bankruptcy and other lis pendens notices, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Filing or recording United States liens, provided the entire record per lien does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Each additional lien relating to the same instrument	*1.50*
Filing or recording release of a United States lien, provided the entire record per lien does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Each additional lien relating to the same instrument	*1.50*
Filing or recording state tax or other state liens, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Each additional lien relating to the same instrument	*1.50*
Filing release of a state tax or other state lien, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Each additional lien relating to the same instrument	*1.50*
Filing notification and declaration and petition of candidates for office	5.00
Deposit of wills under KRS 394.110	5.00
Recording wills or other probate documents under KRS 394.300	*10.00*[5.00]

Recording renunciation of wills	*5.00*
Issuance of fish and game licenses or tags costing more than $1.00 each	.50
Registration of licenses for professional persons required to register with the county clerk	*6.00*[5.00]
Recording and issuing articles, statements, or reports of corporations pursuant to KRS Chapter 271A, including articles of incorporation amendment, restatement of incorporation, merger, or dissolution and statements of establishment of a series of shares, cancellation of a series of shares, reduction of capital, intent to dissolve, revocation of voluntary dissolution, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Miscellaneous recordings for which no specific fee is set, provided the entire record thereof does not exceed three pages (except military discharges)	*6.00*[5.00]
Exceeding three pages, each additional page	1.50
Filing miscellaneous documents for which no specific fee is set, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, each additional page	1.50
Recording mergers of foreign corporations	*11.00*
Registering and filing a statement of trust	*6.00*
Filing a certificate of partnership, provided the entire record thereof does not exceed three (3) pages	*6.00*
Exceeding three (3) pages, for each page	*1.50*

Section 2. KRS 273.368 is amended to read as follows:

In respect of the following documents, the fees to be collected by the secretary of state for filing and issuing, when required by this chapter, and by the county clerk for recording, when required by this chapter, shall be:

(1) Articles of incorporation and a certificate of incorporation, by the secretary of state four dollars ($4), and by the clerk, *four dollars ($4) for the first three (3) pages and one dollar and fifty cents ($1.50) for each additional page* [three dollars ($3.00)];

(2) Articles of amendment and a certificate of amendment, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(3) Restated articles of incorporation and restated certificate of incorporation, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(4) Articles of merger or consolidation and a certificate of merger or consolidation, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(5) Articles of dissolution and certificate of dissolution, by the secretary of state, three dollars ($3), and by the clerk, two dollars ($2);

(6) A statement of change of address of registered office or change of registered agent, or both, by the secretary of state, five dollars ($5);

(7) A statement by a foreign corporation designating a resident process agent, by the secretary of state, five dollars ($5);

(8) An annual report by a domestic corporation, by the secretary of state, two dollars ($2);

(9) An annual report by a foreign corporation, by the secretary of state, four dollars ($4); and

(10) Certified copy of the articles of incorporation and existing amendments, by the secretary of state, twenty-five dollars ($25) as an original filing fee, and a recording fee of ten dollars ($10); ten dollars ($10) for recording subsequent amendments.

(11) Any other statement or report of a foreign or domestic corporation, by the secretary of state, four dollars ($4), and by the clerk, two dollars ($2)."

Floor Title Amendment to **SB 236,** by Representative Morris:

Amend printed copy of **SB 236,** Title, as follows:

After the word "to" delete "motor vehicle and trailer registration, titling and theft" and insert in lieu thereof:

"county clerk and department of transportation duties with regard to vehicles and clerk's fees";

Floor Amendment No. 1 to **SB 265,** by Representative Blythe:

Amend printed copy of **SB 265,** page 7, line 7, by inserting the following:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 139 IS CREATED TO READ AS FOLLOWS:

(1) For purposes of this Act, "mobile home" shall mean a structure, transportable in one (1) or more sections, which when erected on site measures eight (8) body feet or more in width and thirty-two (32) body feet or more in length, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation, when connected to the required utilities.

(2) The gross receipts from the sales of mobile homes as defined in subsection (1) of this section shall be excluded from the computation of the amount of taxes imposed by the provisions of KRS 139.470 when the purchaser of such mobile home swears to the seller, in an affidavit for the department of revenue, that such mobile home will be used as the taxpayer's principal place of residence.

(3) There shall be a penalty of fifteen percent (15%) of the taxes due plus interest at a rate of one percent (1%) per month against any taxpayer who has made a fraudulent affidavit referred to in subsection (2) of this section.

Section 8. KRS 139.100 is amended to read as follows:

(1) "Retail sale" or "sale at retail" means:
(a) 1. A sale for any purpose other than resale in the regular course of business of tangible personal property, or
2. The furnishing of the facilities and services mentioned in subsection (2) of this section;
(b) The delivery in this state of tangible personal property by an owner or former owner thereof or by a factor, or agent of such owner, former owner or factor, if the delivery is to a consumer or person for redelivery to a consumer pursuant to a retail sale made by a retailer not engaged in business in this state. The person making the delivery shall include the retail selling price of the property in his gross receipts.
(2) "Retail sale" or "sale at retail" shall include but shall not be limited to the following:
(a) The rental of any room or rooms, lodgings, or accommodations furnished by any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished to transients for a consideration. The tax shall not apply, however, to rooms, lodgings, or accommodations supplied for a continuous period of ninety (90) days or more to an individual;
(b) The furnishing of sewer services and intrastate telephonic and telegraphic communications and services;
(c) The sale of admissions, except, those taxed under KRS 138.480.

(d) The sale of tangible personal property directly used in the manufacturing of mobile homes."

Floor Amendment No. 4 to **SB 341,** by Representative Riner:

Amend printed copy of **SB 341,** page 16, between lines 8 and 9 by inserting the following:

"SECTION 14. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

(1) With respect to lectures, visual aids, textbooks, other prepared subject matter, curricula, course guides, course outlines, and other administrative curricular matter used in all public elementary and secondary schools within the Commonwealth, references supporting the theory of evolution shall be presented only with references to the scientific evidences that tend to disprove the theory of evolution, which are equal in content and context.

(2) Nothing in this Act shall be construed as a control on discussion, nor so as to prevent the use of dual textbooks or teaching materials, or both, to achieve the equal content requirements of this Act.

(3) The requirements of this Act shall be applicable to all presentations of the theory of evolution beginning with the 1982-83 school year.

SECTION 15. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

Beginning in the 1980-81 school year, the state textbook commission, under provisions of KRS 156.435, shall include as a criterion for selection of textbooks for adoption, scientific evidence that tend to disprove the theory of evolution which are equal in a content and context to evidences which tend to support the theory of evolution, when references to the theory of evolution are made in a textbook being considered for adoption."

On page 16, line 9 to delete "Section 14." and insert in lieu thereof Section 16.

Floor Amendment No. 1 to **SB 278,** by Representative Donnermeyer and Mann:

Amend printed copy of **SB 278,** page 2, line 7, by deleting "*five*" and inserting thereof "*ten*";

and on page 2, line 8, by deleting "*($5.00)*" and inserting in lieu thereof "*($10.00)*";

and on page 2, line 11, by adding the following:

SECTION 2. A NEW SECTION OF KRS CHAPTER 196 IS CREATED TO READ AS FOLLOWS:

(1) The bureau of corrections shall have custody and control of all county jails and all juvenile detention facilities (other than those juvenile detention facilities operated by the department for human resources).

(2) The bureau of corrections shall pay all costs for:

(a) All salaries of jailers, deputy jailers, jail employes, and juvenile detention facility employes;

(b) Keeping and dieting of inmates in county jails and juvenile detention facilities;

(c) Medical, dental, and other related costs of inmates in county jails and juvenile detention facilities;

(d) Firearms, uniforms, equipment, security devices, inmate clothing (where the inmate is not permitted to wear his own clothing), consumable supplies, and other similar costs of operation of a county jail or juvenile detention facility as determined by the bureau of corrections;

(e) Utilities for the county jail, providing that such utilities such as may be metered separately such as electricity, gas, water, and telephone service are metered separately from those of the building in which the jail is housed;

(f) A reasonable proportion of cost for heat or other utilities which are not capable of being metered separately; and

(g) Such other costs incident to the operation of the county jail or juvenile detention facility as may be provided for by regulation and approved by the bureau of corrections.

(3) The bureau of corrections shall not pay rent or other similar payments to a county, city, or urban county for the use of a jail or juvenile detention facility.

(4) The bureau of corrections shall issue rules and regulations including but not limited to:

(a) The qualifications, number, and pay of deputy jailers, jail and juvenile detention facility employes;

(b) The pay of the county jailer;

(c) The operation and management of county jails and juvenile detention facilities;

(d) The physical condition and security and safety of county jails and juvenile detention facilities;

(e) The dieting and medical care of inmates in county jails and juvenile detention facilities; and

(f) Such other rules or regulations as may be reasonably necessary to carry out the provisions of this Act.

(5) The bureau of corrections may construct, renovate, make additions to, demolish, or remodel any county jail or juvenile detention facility under its jurisdiction.

(6) The bureau of corrections shall establish a schedule of fees for the keeping of prisoners for the United States and for other jurisdictions. All fees shall be collected by the bureau of corrections and placed in the general fund of the state treasury.

(7) No portion of this section shall be construed as requiring the bureau of corrections to take over, provide funding for, maintain, or otherwise operate a city jail unless there is no county jail in the county and the bureau of corrections determines that it is in the best interest of the Commonwealth to do so.

(8) Jailers shall be considered as state officers, elected locally, and may be assigned by the commissioner of corrections, on a temporary basis, to any county jail, juvenile detention facility, or other facility operated by the bureau of corrections.

(9) Deputy jailers, matrons, and employes of county jails and juvenile detention facilities shall be state employes and shall be entitled to all benefits afforded state employes.

(10) Any state or local agency authorized to issue revenue bonds may, upon the request of the bureau of corrections issue revenue bonds, within the limits of the agency's bonding authority, and issue bonds for the construction or renovation of jail facilities and juvenile detention facilities. No new jail shall be constructed so as to be occupied jointly with an agency of county or city government. For the purposes of this section the office of the circuit clerk shall be deemed an agency of state government as shall any agency or unit of the court of justice.

Section 3. KRS 35.285 is amended to read as follows:

(1) A sentence of confinement adjudged by a military court may be carried into execution by confinement in any place of confinement under the control of the national guard or active militia, or in any jail,

penitentiary or prison designated for that purpose as prescribed in KRS 35.055; and persons so confined in such a jail, penitentiary or prison shall be subject to the same discipline and treatment as persons confined or committed to such jail, penitentiary or prison by the courts of the state.

(2) The omission of the words "hard labor" in any sentence of a court-martial adjudging confinement shall not be construed as depriving the authority executing such sentence of the power to require hard labor as a part of the punishment.

(3) The jailers, officers and wardens of all jails, penitentiaries or prisons designated pursuant to KRS 35.055 shall receive the bodies of persons ordered into confinement prior to trial and of persons committed to confinement by the process or mandate of a military court and shall confine them according to law, and no such jailer, officer or warden shall demand or require payment of any fee or charge of any nature for receiving or confining a person in such jail, penitentiary or prison [except that county jailer may be entitled payment for keeping and dieting prisoners in jail as provided in KRS 64.150].

Section 4. KRS 45A.345 is amended to read as follows:

As used in KRS 45A.345 to 45A.460, unless the context indicates otherwise:

(1) "Chief executive officer" shall mean the mayor, county judge/executive, superintendent of schools, or the principal administrative officer of a local public agency, or the person designated by the chief executive officer or legislative body of the local public agency to perform the procurement function.

(2) "Construction" shall mean the process of building, altering, repairing, or improving any public structure or building, or other public improvements of any kind to any public real property. It does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property.

(3) "Contract" shall mean all types of local public agency agreements, including grants and orders, for the purchase or disposal of supplies, services, construction, or any other item. It includes awards and notices of award; contracts of a fixed-price, cost, cost-plus-a-fixed-fee, or incentive type; contracts providing for the issuance of job or task orders; leases; letter contracts; and purchase orders. It also includes supplemental agreements with respect to any of the foregoing. It does not include labor contracts with employes of local public agencies.

(4) "Established catalogue price" shall mean the price included in the most current catalogue, price list, schedule, or other form that:

(a) Is regularly maintained by the manufacturer or vendor of an item; and

(b) Is either published or otherwise available for inspection by customers; and

(c) States prices at which sales are currently or were last made to a significant number of buyers constituting the general buying public for that item.

(5) "Evaluated bid price" shall mean the dollar amount of a bid after bid price adjustments are made pursuant to objective measurable criteria, set forth in the invitation for bids, which affect the economy and effectiveness in the operation or use of the product, such as reliability, maintainability, useful life, and residual value.

(6) "Invitation for bids" shall mean all documents, whether attached or incorporated by reference, utilized for soliciting bids in accordance with the procedures set forth in KRS 45A.365.

(7) "The legislative body or governing board" shall mean a council, commission or other legislative body of a city or urban county; a county fiscal court; board of education of a county or independent school district; board of directors of an area development district or special district; or board of any other local public agency.

(8) "Local public agency" shall mean a city, county, urban-county, school district, special district, or an agency formed by a combination of such agencies under KRS Chapter 79, or any department, board, commission, authority, office or other sub-unit of a political subdivision which shall include the offices of the county clerk, county sheriff, county attorney *and*[,] coroner [and jailer].

(9) "May" shall mean permissive. However, the words "no person may . . ." mean that no person is required, authorized, or permitted to do the act prescribed.

(10) "Negotiation" shall mean contracting by either the method set forth in KRS 45A.370, 45A.375 or 45A.380.

(11) "Person" shall mean any business, individual, union, committee, club, or other organization or group of individuals.

(12) "Procurement" shall mean the purchasing, buying, renting, leasing, or otherwise obtaining any supplies, services, or construction. It also includes all functions that pertain to the obtaining of any public procurement, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

(13) "Request for proposals" shall mean all documents, whether attached or incorporated by reference, utilized for soliciting proposals in accordance with the procedures set forth in KRS 45A.370, 45A.375, 45A.380 or 45A.385.

(14) "Responsible bidder or offeror" shall mean a person who has the capability in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.

(15) "Responsive bidder" shall mean a person who has submitted a bid under KRS 45A. 365 which conforms in all material respects to the invitation for bids, so that all bidders may stand on equal footing with respect to the method and timeliness of submission and as to the substance of any resulting contract.

(16) "Services" shall mean the rendering, by a contractor, of its time and effort rather than the furnishing of a specific end product other than reports which are merely incidental to the required performance of service. It does not include labor contracts with employes of local public agencies.

(17) "Shall" shall mean imperative.

(18) "Specifications" shall mean any description of a physical or functional characteristic of a supply, service or construction item. It may include a description of any requirement for inspecting, testing or preparing a supply, service or construction item for delivery.

(19) "Supplemental agreement" shall mean any contract modification which is accomplished by the mutual action of the parties.

(20) "Supplies" shall mean all property, including but not limited to leases on real property, printing and insurance, except land or a permanent interest in land.

Section 5. KRS 63.220 is amended to read as follows:

(1) A vacancy in the office of sheriff, coroner, surveyor, county clerk, county attorney, [jailer,] constable or property valuation administrator, shall be filled by the county judge/executive.

(2) Appointments to fill vacancies under this section shall be until the successor is elected, as provided in section 152 of the constitution, and qualified.

Section 6. KRS 64.090 is amended to read as follows:

Sheriffs may charge and collect for the following services the following fees:

Executing and returning process	$3.00
Serving an order of court and return	3.00
Summoning each witness	2.00
Summoning an appraiser or reviewer	2.00
Attending a surveyor, when ordered by a court, per deputy or sheriff assigned	20.00
Taking any bond that he is authorized or required to take in any action	5.00

Collecting money under execution or distress warrant, if the debt is paid or the property sold, or a delivery bond given and not complied with, six per cent (6%) on the first three hundred dollars ($300) and three per cent (3%) on the residue; when he levies an execution or distress warrant, and the defendant replevies the debt, or the writ is stayed by legal proceedings or by the order of the plaintiff, half of the above commissions, to be charged to the plaintiff and collected as costs in the case.

Taking a recognizance of a witness	$3.00
Levying an attachment	5.00

When property attached is sold by an officer other than the officer levying the attachment, the court shall, in the judgment, make the officer an additional and reasonable allowance for levying the attachment, and the fee of the officer selling the property shall be lessened by that sum. Reasonable charges for removing and taking care of attached property shall be allowed by order of court.

Summoning a garnishee	3.00
Summoning a jury in a misdemeanor case, attending the trial, and conducting the defendant to jail to be paid by the party convicted	8.00
Serving process or arresting the party in misdemeanor cases, to be paid by the plaintiff	10.00
Serving an order or process of revivor	3.00
Executing a writ of possession against each tenant or defendant	7.00

Executing a capias ad satisfaciendum, the same commission as collecting money on execution. If the debt is not paid, but stayed or secured, half commission.

Summoning and attending a jury in a case of forcible entry and detainer, besides fees for summoning witnesses	8.00
Collecting militia fines and fee-bills, ten per cent (10%), to be deducted out of the fee-bill or fine.	
Levying for a fee-bill	3.00
Serving a notice	2.00
Serving summons, warrants or process of arrest in bastardy cases	6.00
Serving each order appointing surveyors of roads, to be paid out of the county levy	5.00
Serving each summons or order of court in applications concerning roads, to be paid out of the county levy if the road is established, and in all other cases to be paid by the applicant	5.00
Like services in cases of private passways to be paid by the applicant	5.00

Executing each writ of habeas corpus, to be paid by the petitioner 3.00

All services under a writ issued under KRS 381.460 to 381.570 .... 10.00

[Performing the duties of jailer, the same fees and allowances that are prescribed for jailers.]

For services in summoning grand and petit jurors and performing his duties under KRS Chapter 29A the sheriff shall be allowed, for each person so summoned, and paid out of the state treasury for constructive service the sum of $1.50 and for personal service the sum of $3.00.

Section 7. KRS 64.170 is amended to read as follows:

The executive department for finance and administration [or by its direction, the jailer,] shall collect as speedily as possible the amount found to be due by each monthly statement from the [county, city or] United States *of all fees owed by the United States for maintenance of federal prisoners in a county jail or juvenile detention facility*[, and shall give the jailer credit for the amount so collected and paid to the executive department for finance and administration, as well as for the amount due from the state, which latter amount shall be considered as paid to the executive department for finance and administration by the jailer].

Section 8. KRS 64.345 is amended to read as follows:

(1) The county clerk *and*[,] sheriff [and jailer] of each county having a population of 75,000 or over shall receive an annual salary of fourteen thousand three hundred dollars ($14,300).

(2) In counties containing a city of the first class and in counties having an urban-county form of government, the amount, if any, allowed for the necessary office expenses of each officer shall be fixed by an order entered upon the order book of the circuit court, and signed by the chief judge thereof. In all other counties with a population of 75,000 or more, the amount, if any, allowed for the necessary office expenses of each officer shall be fixed by the fiscal court by an order entered upon the fiscal court order book no later than January 15 of each year. A certified copy of the orders, and of any subsequent changes made therein, shall, as soon as entered, be forwarded to the executive department for finance and administration.

(3) Each officer shall, on the first day of each month, send to the executive department for finance and administration a statement, subscribed and sworn to by him, showing the amount of money received or collected by or for him the preceding month, as fees or compensation for official duties, and shall, with such statements, send to the executive department for finance and administration the amount so collected or received. The executive department for finance and administration may extend the time for filing the statement and making the payment for a period not exceeding ten (10) days in any month.

(4) The salary of each officer and his deputies and assistants and his office expenses, shall be paid semimonthly by the state treasurer upon the warrant of the executive department for finance and administration made payable to the officer. If seventy-five per cent (75%) of the amount paid into the state treasury in any month by any of such officers is not sufficient to pay the salaries and expenses of his office for that month, the deficit may be made up out of the amount paid in any succeeding month; but in no event shall the amount allowed by the executive department for finance and administration to any officer for salaries and expenses exceed seventy-five per cent (75%) of the amount paid to the executive department for finance and administration by the officer during his official term.

(5) In counties containing a city of the first class and in counties having an urban-county form of government, the number of deputies and assistants allowed to each officer and the compensation allowed to each deputy and assistant shall be fixed at reasonable amounts upon motion of each officer by an order entered upon the order book of the circuit court and signed by the chief judge thereof. In all other counties with a population of 75,000 or more, the number of deputies and assistants allowed to each officer and the compensation allowed to each deputy and assistant shall be fixed at reasonable amounts upon motion of each officer by the fiscal court by an order entered upon the fiscal court order book no later than January 15 of each year. A certified copy of the orders, and of any subsequent changes made therein, shall, as soon as entered, be forwarded to the executive department for finance and administration.

Section 9. KRS 64.346 is amended to read as follows:

The fiscal court in counties containing a population of 75,000 or over may authorize and pay out of the general fund of the county for any expenditures which, in its discretion, are deemed necessary for the efficient operation of the offices of the county and circuit court clerk *and*[,] sheriff [and jailer].

Section 10. KRS 64.350 is amended to read as follows:

(1) In counties having a population of seventy-five thousand (75,000) or more, the salaries of the county clerks *and*[,] sheriffs [and jailers] and of their deputies and all necessary office expenses, including the equipping, furnishing, maintaining and operation of the offices, shall be paid out of the state treasury in amounts not to exceed seventy-five per cent (75%) of the fees collected by the officers respectively, and received into the treasury; and twenty-five per cent (25%) of the fees collected by the officers respectively, and received into the state treasury shall be paid in the manner provided by law for the payment of other claims against the state to the fiscal courts or urban- county government of the respective counties. The amount of twenty-five per cent (25%) of the fees collected by the officers respectively during each calendar

year shall be paid to the fiscal courts or urban-county government of the respective counties by April 1 of each year succeeding the calendar year during which the fees were received by the executive department for finance and administration. After payment of the salaries and expenses specified in this subsection, any remaining balance of the seventy-five percent (75%) of the fees collected by the officers respectively at the end of their official term shall be paid by the state treasurer to the fiscal courts or urban-county government of the respective counties, subject to the provisions of subsection (2) of this section.

(2) Notwithstanding the provisions of subsection (1), all sums received into the state treasury and representing seventy-five per cent (75%) of the fees collected by the sheriffs [and jailers] specified in subsection (1) from any county in which a metropolitan correctional services department has been established shall be expended from the state treasury for the payment of the salaries and costs specified in subsection (1), and in Section 106 of the Constitution of Kentucky. After payment of the salaries and costs specified in this subsection, the remaining balance representing fees collected by sheriffs [and jailers] shall be paid by the state treasury to the fiscal court of the county in which a metropolitan correctional services department has been established by April 1 of each year succeeding the calendar year in which the fees were received by the executive department for finance and administration.

Section 11. KRS 64.355 is amended to read as follows:

It is hereby declared to be the intent of the general assembly that all fees of the office of county clerk *and*[,] sheriff [and jailer] in counties having a population of 75,000 or more that are paid into the state treasury pursuant to the provisions of Section 106 of the Constitution of Kentucky are the property of the respective county and these fees along with those collected by the circuit clerk shall be computed as part of the county's total tax effort for the purpose of determining credit for any federally funded program.

Section 12. KRS 64.365 is amended to read as follows:

Clerks *and*[,] sheriffs [and jailers] who are required under Const., Sec. 106 to pay the fees collected by them into the state treasury are relieved from all liability as insurers of funds that come into their hands or subject to their control after the funds are deposited in good faith in a depository or depositories in the county approved by the fiscal court, and the obligors in the bonds shall not be responsible for loss of, or delay in payment of such funds by reason of the failure or suspension of such depository.

Section 13. KRS 64.527 is amended to read as follows:

In order to equate the compensation of county judges/executive, county clerks, sheriffs, justices of the peace, county commissioners *and*[,] coroners [and jailers] with the purchasing power of the dollar, the executive department for finance and administration shall compute by the second Friday in February of every year the annual increase or decrease in the consumer price index of the preceding year by using 1949 as the base year in accordance with Section 246 of the Constitution of Kentucky which provides that the above elected officials shall be paid at a rate no greater than $7,200 per annum. The executive department for finance and administration shall notify the appropriate governing bodies charged by law to fix the compensation of the above elected officials of the annual rate of compensation to which the elected officials are entitled pursuant to the increase or decrease in the consumer price index. Upon notification from the executive department for finance and administration, the appropriate governing body may set the annual compensation of the above elected officials at a rate no greater than that stipulated by the executive department for finance and administration.

Section 14. KRS 64.528 is amended to read as follows:

In order to equate the current rate of compensation of commonwealth's attorneys, county clerks, county judges/executive, county attorneys, sheriffs, [jailers,] justices of the peace, and commissioners with the present value and purchasing power of the dollar, the court required by law to fix the compensation of the officials named in this section may, on or before September 1, 1974, adjust said officials' compensation within the limits set forth in Acts 1974, chapter 254 and may provide that said officials be entitled to the maximum amount of compensation for the entire 1974 calendar year.

Section 15. KRS 64.530 is amended to read as follows:

(1) Except as provided in subsections (5) and (6) of this section, the fiscal court of each county shall fix the compensation of every county officer and employe except the officers named in KRS 64.535 and the county attorney. The fiscal court may provide a salary for the county attorney.

(2) For the purposes of this section, justices of the peace and constables in all counties shall be deemed to be county officers and deputies or assistants of county officers shall be deemed to be county employes, but employes of county boards or commissions which are now authorized by law to fix the compensation of their employes shall not be deemed to be county employes for the purposes of this section.

(3) In the case of officers compensated from fees, or partly from fees and partly by salary, the fiscal court shall fix the maximum compensation that any officer except the officers named in KRS 64.535 may receive from both sources. The fiscal court may also fix the number of deputies and assistants, and, the compensation thereof, and the maximum amount that the officer may expend each year for expenses of his office.

(4) In the case of county officers elected by popular vote and the county attorney, in the event the fiscal court provides him a salary, the monthly compensation of the officer and of his deputies and assistants

shall be fixed by the fiscal court not later than the first Monday in May in the year in which the officers are elected, and the compensation of the officer shall not be changed during the term but the compensation of his deputies or assistants may be reviewed and adjusted by the fiscal court not later than the first Monday in May of any successive year upon the written request of the officer. On or before August 1, 1966, the fiscal court shall fix the salary provided herein for the county attorneys for the term commencing in January, 1966, notwithstanding any other provisions of this section which may be inconsistent herewith.

(5) Nothing in this section shall apply to property valuation administrators or their deputies, assistants and expenses, in any county, or to the circuit court clerk, county clerk, sheriff, [jailer,] and their deputies, assistants and expenses, in counties having a population of 75,000 or more.

(6) Justices of the peace serving on a fiscal court in any county, and county commissioners serving on a fiscal court in any county other than one containing a city of the first, second, third or fourth class, shall be paid for their services, out of the county treasury, not to exceed the maximum compensation allowable under KRS 64.527. The fiscal court shall fix the amount to be received within the above limit, but no change of compensation shall be effective as to any member of a fiscal court during his term of office. The compensation of county commissioners serving on fiscal courts in counties containing a city of the first class shall not exceed nine thousand six hundred dollars ($9,600) per year, in counties containing cities of the second class it shall not exceed nine thousand dollars ($9,000) per year and in counties containing cities of the third or fourth class it shall not exceed twenty percent (20%) more than the annual compensation paid in the county for the calendar year immediately preceding 1974, and all of said annual salaries shall be payable monthly. Justices of the peace and county commissioners shall not receive any compensation for their services on the fiscal court, other than as provided by this section; nor shall they receive any compensation for serving on committees of the fiscal court. The fiscal court shall fix the amount to be received within the above limit, but no change of compensation except as provided in KRS 64.285 shall be effective as to any member of a fiscal court during his term of office.

Section 16. KRS 64.535 is amended to read as follows:

The county clerk, county judge/executive, sheriff *and*[,] county attorney [and jailer] of each county shall receive a maximum monthly salary of one-twelfth (1/12) of fourteen thousand three hundred dollars ($14,300,) to be paid solely out of the statutory fees and salaries received by him during the calendar year.

Section 17. KRS 64.690 is amended to read as follows:

(1) Except as provided in KRS 64.610 and in this section, KRS 64.480 to 64.740 are intended to supersede any existing statute, fixing the compensation, or authorizing any public officer or body to fix the compensation, of any public officer or employe covered by KRS 64.480 to 64.740.

(2) Any public officer or body which has authority to fix the compensation of any state officer or employe covered by KRS 64.640 shall exercise such authority, subject to the schedule and limits of compensation for the particular office or position prescribed under KRS 64.640.

(3) KRS 64.480 to 64.740 are not intended to supersede any existing statute, with respect to the compensation of circuit clerks, county clerks, sheriffs, [jailers,] master commissioners and receivers, and their deputies and assistants, in counties containing a population of 75,000 or more, or property valuation administrators, their deputies and assistants, in any county.

Section 18. KRS 64.770 is amended to read as follows:

(1) The county officials' compensation board is hereby created and shall consist of the secretary of the executive department for finance and administration, the state-local finance officer, the president of each of the state associations of county clerks, county judges, county attorneys, justices of the peace and commissioners, sheriffs, [jailers,] and coroners, three (3) members of the general assembly appointed by the legislative research commission, and two (2) citizens of the Commonwealth appointed by the governor. The legislative members shall be appointed for terms of two (2) years, unless their legislative term expires prior to the expiration of their term on the board, in which case a vacancy shall exist. Citizen members shall be appointed for terms of four (4) years. The terms of the members representing the state associations shall be identical to the term of their office as president of the state association. Vacancies shall be filled for the unexpired portion of any term in the same manner as an original appointment. The secretary of the executive department for finance and administration may, by written order filed with the chairman of the board, designate a deputy or other representative in his department to serve in his stead and to perform his duties as a member of the board in his absence. Such designation shall be deemed temporary and shall not affect the merit system or retirement rights of any person so designated.

(2) No salary or other compensation shall be allowed any member of the board, but each member may be reimbursed for actual and necessary expenses incurred in the performance of his official duties.

(3) The board shall select one (1) of its members as chairman and another member as vice-chairman at its first regular meeting in each calendar year. The secretary of the executive department for finance and administration shall be secretary of the board and his office shall be responsible for administering the clerical functions of the board.

(4) The board shall hold regular meetings at least once every three (3) months. Special meetings may be called by the chairman or by five (5) members of the board by delivery of a written notice to the

office or residence of each member of the board at least ten (10) days in advance of the date of any special meeting. Eight (8) members of the board shall constitute a quorum at any meeting. The board shall establish bylaws for the conduct of its meetings and shall keep an accurate record of all its proceedings.

(5) The board may employ and compensate such personnel and consultants as may be necessary to effectuate the provisions of KRS 64.780.

Section 19. KRS 66.520 is amended to read as follows:

(1) [Jails,] Parks, office space for officers mentioned in the constitution, roads, sanitation, and land reclamation, conservation, and drainage are matters of statewide concern. In any county with a population in excess of 300,000 inhabitants, eighty per cent (80%) or more of whom reside in areas defined as urban by the latest federal decennial census, there is a special need for facilities and improvements with respect to those matters of statewide concern. The fiscal court of such a county shall make an annual appropriation for those facilities and improvements. If a board has been established, the annual appropriation shall be to the board and shall be the lesser of (a) the amount requested by the board under its plan or (b) twelve per cent (12%) of the amount the county would have received in the preceding year from imposition at the full rate allowed by KRS 68.180 of the fee authorized by that section for nonschool purposes reduced by the amount of all credits described in KRS 68.190 actually allowed against such fees. If there is no board, the fiscal court shall annually appropriate for such facilities and improvements between five (5) and twelve per cent (12%) of the amount described in clause (b) of the next preceding sentence.

(2) To the extent required by sections 157, 158, 159, or 181 of the constitution, subsection (1) is directory.

Section 20. KRS 67.130 is amended to read as follows:

The fiscal court of each county shall be responsible for the maintenance and operation of all county buildings, grounds and other properties. The county judge/executive shall execute the policies of the fiscal court relating to buildings, grounds and other properties. [The county judge/executive, with the approval of the fiscal court, may employ the jailer as superintendent of such county buildings, grounds and other properties at the county seat as he deems appropriate.] The fiscal court of each county shall annually appropriate a sum sufficient to purchase the labor and materials necessary to maintain and operate county property[, including the jailer's residence if owned by the county, and to keep the jailer's residence in repair and in clean, comfortable and presentable condition. Any sum appropriated for maintenance and operation of the jailer's residence shall be expended by the jailer]. The county attorney shall bring civil action in the name of the county to recover possession of or for injury to or intrusion or trespass upon any such county property, and the net proceeds of any such recovery shall be paid into the county treasury.

Section 21. KRS 67.160 is amended to read as follows:

The county judge/executive may rent, for the period that a courthouse is being built or repaired, or cannot be used, a house not more than a mile and one quarter from the public square or courthouse site, as a temporary courthouse. He may also rent, for the period that the clerk's office [or jail] is being built or repaired, a house within the same distance of the public square or courthouse site, as a temporary clerk's office [or jail]. The rent for such temporary courthouse, clerk's office [or jail] shall be paid out of the county treasury.

Section 22. KRS 67.170 is amended to read as follows:

The jailer of each county shall take charge of and carefully preserve all furniture, bedding and similar property belonging to the jail and any other county property at the county seat for which he may act as superintendent. The jailer shall be liable to the *Commonwealth* [county] upon his official bond for the value of any such property lost or destroyed by reason of his negligence or fault, and the *Commonwealth* [county] may enforce this liability by notice and motion in the district court.

Section 23. KRS 67B.030 is amended to read as follows:

(1) A Metropolitan Correctional Services Department may be established by order of the Fiscal Court of any County containing a City of the First Class, in which the Constitutional offices of Sheriff and Jailer have been consolidated as provided in Section 105 of the Constitution of the Commonwealth of Kentucky. Said Department shall, upon its creation, constitute a de jure department and division of County government, having and possessing all of the enumerated powers, responsibilities, and duties hereinafter specifically set forth.

(2) Upon the creation of a Metropolitan Correctional Services Department by the Fiscal Court of a County containing a City of the First Class, in which the Constitutional offices of Sheriff and Jailer have been consolidated pursuant to Section 105 of the Constitution of the Commonwealth of Kentucky, all of the duties, responsibilities, and liabilities of the Sheriff and Jailer as set forth and contained in the Kentucky Revised Statutes, with reference to the operation and maintenance of the County Jail and all County correctional facilities shall immediately be vested in the Department [which Department shall thereupon, in the performance of its duties and responsibilities, charge and collect all fees, imposts and charges otherwise provided to be charged and collected by Sheriffs and Jailers, and deposit same with the treasurer of said county,]

and thereupon the Sheriff and Jailer shall have no further responsibility, duty and liability for the performance of said statutory duties on a personal basis; provided, however, that said Sheriff shall be required to annually inspect all County Correctional facilities and render reports as hereinafter provided.

Section 24. KRS 71.010 is amended to read as follows:

The jailer shall take the oath prescribed by the constitution and execute bond to the Commonwealth with the *bureau of corrections* [county judge/executive of the county in which he is elected,] with sureties, approved by the *bureau of corrections* [county judge/executive]. The bond shall be attested by the clerk and entered of record in his office. No coroner, sheriff, sheriff's deputy, county or circuit judge, county or circuit clerk, or attorney shall be surety for the jailer on his official bond.

Section 25. KRS 71.020 is amended to read as follows:

Each jailer shall *in accordance with regulations issued pursuant to Section 1 of this Act,* have the custody, rule and charge of the jail in his county and of all persons in the jail and shall keep the same himself or by his deputy or deputies. He or one (1) of his deputies shall reside not more than four hundred (400) yards from the jail and where it is such as admits the residence of the same therein he or one (1) of his deputies shall reside in the jail.

Section 26. KRS 71.030 is amended to read as follows:

The jailer shall keep the jail comfortably warm, and clean and free from nauseous odors, and shall provide prisoners confined in the jail with a sufficiency of bedclothing to make them comfortable. [The bedclothing shall be paid for out of the county levy.]

Section 27. KRS 71.040 is amended to read as follows:

The jailer shall receive and keep in the jail all persons who are lawfully committed thereto, until they are lawfully discharged. He shall treat them humanely and furnish them with proper food and lodging during their confinement. He shall deliver those who die in jail to their friends, if requested, or have them decently buried at the expense of the *Commonwealth* [county].

Section 28. KRS 71.060 is amended to read as follows:

(1) Subject to the provisions of KRS 64.345, any jailer may appoint [not more than two (2)] deputies[, and, with the approval of the county judge/executive, may appoint additional deputies]. The jailer shall be liable on his official bond for the conduct of his deputies. The deputies shall have all the powers and be subject to the same penalties as the jailer. They may be removed at any time by the jailer *with the approval of the bureau of corrections.*

(2) Subject to the *approval of the bureau of corrections* [provisions of KRS 441.230,] any jailer may appoint a respectable woman to care for and have supervision over the female prisoners in the jail, subject to the orders of the jailer. The woman so appointed shall be called jail matron and shall receive a salary to be paid in the same manner as deputy county jailers.

Section 29. KRS 71.090 is amended to read as follows:

Except as provided in KRS 63.150, if the jailer is legally committed to jail, or if for any cause the office of jailer becomes vacant, the sheriff of the county shall perform all the duties of jailer until the jailer is legally discharged from jail, or until a successor to the jailer is elected or appointed and qualified. If the sheriff cannot or should not act the *commissioner of the bureau of corrections* [county judge/executive] may so certify, and shall, in writing, designate a responsible person to act for the occasion.

Section 30. KRS 78.610 is amended to read as follows:

(1) Each employe shall, commencing on July 1, 1966, contribute for each pay period, for which he receives compensation four percent (4%) of his creditable compensation.

(2) The treasurer, attorney, clerk, [jailer] and sheriff of a participating county shall cause to be deducted from the "creditable compensation" of each employe for each and every payroll period subsequent to the date the county participated in the system, the contribution payable by such member as provided in KRS 78.510 to 78.852. The attorney, clerk, [jailer] and sheriff shall promptly pay such deducted employe contributions to the treasurer for forwarding to the board in accordance with KRS 78.625.

(3) The deductions provided for herein shall be made notwithstanding that the minimum compensation provided by law for any employe shall be reduced thereby. Every employe shall be deemed to consent and agree to the deductions made as provided herein; and payment of salary or compensation less such deductions shall be a full and complete discharge of all claims for services rendered by such person during the period covered by such payment, except as to any benefits provided by KRS 78.510 to 78.852.

Section 31. KRS 95.730 is amended to read as follows:

(1) In cities of the fourth and fifth classes the chief of police shall be in command of the police department, except that in cities of the fourth class he shall be second in command to the mayor.

(2) He shall attend all sessions of the city legislative body, execute its orders and preserve order at its sessions.

(3) The chief of police or any member of the police force shall cause proceedings to be instituted against any person carrying on business or doing any act without a license for which a license is required.

[(4) In cities of the fifth class the chief of police shall have supervision of the city jail and the chain gang.]

Section 32. KRS 439.179 is amended to read as follows:

(1) Any person sentenced to a jail for a misdemeanor, nonpayment of a fine or forfeiture, or contempt of court, may be granted the privilege of leaving the jail during necessary and reasonable hours for any of the following purposes:

(a) Seeking employment; or

(b) Working at his employment; or

(c) Conducting his own business or other self-employment occupation including, in the case of a woman, housekeeping and attending the needs of her family; or

(d) Attendance at an educational institution; or

(e) Medical treatment.

(2) Unless such privilege is expressly granted by the court, the prisoner is sentenced to ordinary confinement. The prisoner may petition the sentencing court for such privilege at the time of sentence or thereafter, and, in the discretion of the sentencing court, may renew his petition. The sentencing court may withdraw the privilege at any time by order entered with or without notice.

(3) The jailer shall notify the department for human resources which shall endeavor to secure employment for unemployed prisoners under this section. If a prisoner is employed for wages or salary, they shall, by wage assignment, be turned over to the district court which shall deposit the same in a trust checking account and shall keep a ledger showing the status of the account of each prisoner. Such wages or salary are not subject to garnishment of either the employer or the district court during the prisoner's term, and shall be disbursed only as provided in this section; but for tax purposes they are the income of the prisoner.

(4) Every prisoner gainfully employed is liable for the cost of his board in the jail, at the amount established by *the bureau of corrections* [law]. If he defaults his privilege under this section is automatically forfeited. In those cases where the prisoner is confined for a breach of the bylaws or ordinances of a city, or for violation of a statute where the city gets the benefit of the fine, the board will be paid by the district court to the city treasury. In those cases where the prisoner is confined for contempt, board shall be paid by the district court to the state treasury. In all other cases the fiscal court shall receive the wages earned and disburse the funds as provided in subsection (5). The fiscal court may, by ordinance, provide that the county furnish or pay for the transportation of prisoners employed under this section to and from the place of employment.

(5) Unless otherwise ordered by the sentencing court, the wages or salaries of employed prisoners shall be disbursed by the district court on a monthly basis for the following purposes and in the order stated:

(a) The board of the prisoner;

(b) Support of the prisoner's dependents, if any;

(c) Payment, either in full or ratably, of the prisoner's obligations acknowledged by him in writing or which have been reduced to judgment;

(d) The balance, if any, to the prisoner upon his discharge.

(6) If the prisoner was convicted in a justice or a police court, the district judge shall have authority and jurisdiction to make all determinations and orders under this section as might otherwise be made by the sentencing court after the prisoner is received at the jail.

(7) The district court may direct that its functions under subsections (3) or (5) or both be performed by any bonded public official. Such order shall remain in force until rescinded by the district court.

(8) The bureau of corrections shall, at the request of the district judge, investigate and report on the amount necessary for the support of the prisoner's dependents.

(9) The jailer may refuse to permit the prisoner to exercise his privilege to leave the jail as provided in subsection (1) for any breach of discipline or other violation of jail regulations for a period not to exceed 5 days.

(10) [Nothing in this statute shall be construed to affect KRS 64.150 which provides for the payment of fees to the jailer. In this section "jail" refers to all misdemeanant institutions, and "jailer" to the superintendent thereof, but, in counties of the first class, "jailer" designates the sheriff who serves as superintendent of the jail.

(11)] In counties containing an urban-county form of government, the duties, responsibilities and obligations vested herein in the bureau of corrections shall be performed by the adult misdemeanant probation and work release agency of the urban-county government.

Section 33. KRS 441.010 is amended to read as follows:

(1) The *bureau of corrections* [county governing body] shall prescribe rules for the government and cleanliness of the county jail and the comfort and treatment of prisoners. The *bureau of corrections* [county judge/executive] shall inspect the jail at least once each month.

(2) Wilful violation of the rules promulgated pursuant to subsection (1) of this section shall be deemed a violation.

Section 34. KRS 441.020 is amended to read as follows:

The United States may use the jail of any county[, and any city may use the jail of the county in which the city is located,] by paying the jailer the fees *set by the bureau of corrections* [allowed by KRS

64.150] for the type of services rendered. Any jailer shall receive and confine in jail, until lawfully discharged, persons committed under the laws of the United States or for a violation of the ordinances of any city within the county.

Section 35. KRS 441.030 is amended to read as follows:

If in any county there is no jail, or the jail is insecure, or there is danger or probable danger that any or all of the persons confined in the jail under any order or process of *a* [the circuit] court, or held to answer any charge in *a* [the circuit] court, will be removed from the jail by violence, the circuit judge shall, by an order made of record, direct that any or all of such persons be transferred to the jail of the nearest county in which the jail is secure and they can be safely kept. When any such order is made, and a copy thereof is furnished to the jailer of the county designated, he shall receive all such prisoners. If the circuit judge is not in the county, the order of transfer may be made by the district judge, who shall deliver the order, or a copy thereof, to the circuit clerk for revision by the circuit court.

Section 36. KRS 441.040 is amended to read as follows:

Immediately upon the receipt of a copy of an order made pursuant to KRS 441.030, the sheriff, or if there is no sheriff, the coroner, shall transfer the prisoners to the jail of the county designated in the order. He shall deliver the prisoners to the jailer of that county at the jail, with a copy of the order, and take from him a receipt for the prisoners, which he shall return to the office of the circuit clerk of the county from which the removal was made. The clerk shall file the receipt in his office. The jailer shall receive the prisoners and safely keep them until they are properly discharged. If the jailer fails to accept and keep such prisoners, he and his sureties shall be liable in the same manner and to the same extent as if the prisoners had been regularly committed by an order of the circuit court of his county. [The jailer shall receive the same fees as he would receive for a prisoner committed by the circuit court of his county.] The officer conveying the prisoners to the designated jail, and such guards as the judge directs him to take, not exceeding the number of guards allowed in taking convicts to the penitentiary, shall receive the compensation and mileage allowed by KRS 64.070 for taking convicts to the penitentiary. The compensation shall be allowed by the circuit judge directing the transfer and paid out of the State Treasury[, unless there was no jail in the county or it was rendered insecure by the failure of the fiscal court to keep it in the requisite condition, in which case it shall be paid by the fiscal court of the county. The circuit judge, in making the allowance, shall state in the order out of which fund it shall be paid]. The order of the judge directing the transfer shall be conclusive evidence that the transfer was proper and to the right jail, and shall be a justification to the jailer for holding any such prisoner in any action against him for false imprisonment.

Section 37. KRS 441.060 is amended to read as follows:

(1) The expense of keeping and dieting a prisoner transferred to the penitentiary or reformatory pursuant to KRS 441.050 shall be borne by the unit of government.

2) The unit of government shall pay the expenses directly to the bureau of corrections.

(3) "Expenses" shall mean *the* [any] fee *set by the bureau of corrections* [provided by law to be allowed to a jailer for keeping and dieting a prisoner].

Section 38. KRS 441.200 is amended to read as follows:

The jailer shall report to the *bureau of corrections* [county judge/executive,] once each month the disposition made of prisoners sentenced to hard labor.

Section 39. KRS 441.410 is amended to read as follows:

As used in KRS 441.420 to 441.450 "jail" includes city jails, county jails, workhouses, *juvenile detention facilities* and all other facilities for the detention of prisoners except for penitentiaries, *and* reformatories, [and juvenile facilities,] operated apart and separate from a jail, by agencies of [state,] county and city government. It also includes any such facility on a joint or jurisdictional basis. *The provisions of KRS 441.410 to 441.450 shall not apply to any operations of the bureau of corrections pursuant to Section 1 of this Act.*

Section 40. KRS 208.130 is amended to read as follows:

(1) The fiscal court of each county shall provide for a suitable facility or facilities for the custody and care of children held in custody pending disposition of their cases by the juvenile court[, and may employ necessary personnel for the operation thereof].

(2) In counties containing a city of the first or second class, the fiscal court shall maintain a permanent detention home, either through arrangement with another public agency or with a private organization or agency, or by acquiring [and operating] the home as a county institution.

(3) In counties other than those containing a city of the first or second class, the fiscal court shall either maintain a detention home or arrange for the use of private or family homes.

(4) The department *and the bureau of corrections* may assist the counties in the acquisition, development and furnishing of detention facilities, and may employ available funds for that purpose. The detention facilities *shall* [may] be subject to the supervision of the *bureau of corrections* [department], and shall conform to rules and regulations prescribed by the *bureau of corrections* [department].

(5) Each child detained in such facility shall be deemed to be under the jurisdiction of the juvenile court before which his case is pending.

(6) The fiscal court of any county may arrange with the department for the use of its regional reception-diagnostic centers for those cases pending before the juvenile court of its county. The fiscal court is authorized to make such payments as agreed upon with the department for the use of the services and facilities. The use of the department's regional reception-diagnostic centers by the individual juvenile courts shall not give such juvenile courts jurisdiction over the department's regional reception-diagnostic centers.

(7) The fiscal court of any county [other than a county containing a city of the first or second class] or *an* urban-county government may *donate any secure detention facility owned by the county to the Commonwealth.* [request in writing that the department operate, maintain and control any secure detention facility for juveniles presently located in the county for which it is responsible. Within ninety (90) days of the receipt of such request the department may take control of and operate and maintain such facility if it meets standards prescribed by the department. If the department's budget permits and the department does operate, maintain and control such facility, it may accept appropriate children for placement in the facility who may be before the court in counties other than the county in which the facility is located.

(8) Upon the department's agreement to accept control of a secure detention facility for juveniles as prescribed in subsection (7) of this section, the department shall continue to operate the facility unless or until by mutual agreement the control, operation and maintenance of the facility is returned to the fiscal court.

(9)] Upon the *bureau of corrections'* [department's] agreement to accept *donation* [control] of a secure detention facility for juveniles as prescribed in subsection (7) of this section, the detention facility and the physical property upon which the facility is located *shall* [may] be transferred to the Commonwealth of Kentucky by deed [or by lease as agreeable to the department]. *Transfer of a facility to the Commonwealth shall relieve the county of the duty of complying with subsections (1), (2) or (3) of this section.*

Section 41. The following sections of the Kentucky Revised Statutes are repealed.

64.150 Jailers' fees.
304.34-150 Jail access — Notice to court clerks of bondsmen's names.
441.065 Use and administration of jail in county containing city of first class, after establishment of workhouse or penal farm.
441.070 Fiscal court or urban-county council may establish workhouse.
441.080 Joint construction, management and use of workhouse.
441.090 Manager of workhouse — Appointment — Duties.
441.110 Physician for workhouse.
441.120 Place prisoners to work — County judge/executive to designate.
441.130 Cost of keeping working prisoners — Who pays — Housing for work crews.
441.140 Rules governing working prisoners.
441.150 Managers and guards for work crews.
441.160 Prisoners transferred to workhouse — Procedure.
441.170 Capias pro fine — Persons arrested on may be delivered to workhouse.
441.205 Workhouse or penal farm in county containing city of first class.
441.230 Matron for county jail — Appointment salary and quarters.
441.240 Assistant matrons for station houses — Appointment, salary and quarters.
441.250 Qualifications and term of matrons.
441.260 Hours and duties of matrons.
441.270 Matron to attend court — Be present when female searched.
441.280 Notification of matron on receipt of female or child.
441.290 Jail visiting board in cities of first class.
441.300 Jail physician in counties containing 150,000 population.
441.320 City jailer and deputy in cities of second class.

Section 42. There is hereby appropriated to the bureau of corrections out of the general fund of the state treasury the sum of $21,310,614 for the year 1980-81 and the sum of $21,310,614 for the year 1981-82.

Section 43. The provisions of this Act shall become effective in all counties, except in any county containing a city of the first class, on July 15, 1980 and shall become effective in all counties on July 1, 1981.

Floor Amendment No. 1 to **SB 17,** by Representative Priddy:

Amend printed copy of **SB 17,** page 3, line 5, after the word "*auction*", by adding the following language:

"Section 2. KRS 177.081 is amended to read as follows:

(1) The Commonwealth of Kentucky, bureau of highways, when it has, by official order, designated the route, location or relocation of a highway, limited access highway, bridge, roadside park, borrow-pit,

quarry, garage or other property or structure deemed necessary for the construction, reconstruction, or maintenance of an adequate system of highways, may, if unable to contract or agree with the owner or owners thereof, condemn the lands or material, or the use and occupancy of the lands designated as necessary. All property acquired by the Commonwealth of Kentucky, bureau of highways, shall be in fee simple whenever so specified in the petition filed in the action. The official order of the bureau of highways shall be conclusive of the public use of the condemned property and the condemnor's decision as to the necessity for taking the property will not be disturbed in the absence of fraud, bad faith, or abuse of discretion.

(2) *Any property purchased or otherwise acquired by the bureau of highways for the purpose of construction or reconstruction of a road, street, or highway shall be cleared and maintained by the bureau of highways from the time or acquisition until such property is no longer owned by the bureau.*

(3) The proceedings for condemnation shall be as provided in the Eminent Domain Act of Kentucky.

Floor Title Amendment to **SB 17,** by Representative Priddy:

Amend printed copy of **SB 17,** Title, on page 1, by deleting the title and inserting in lieu thereof the following:

"AN ACT relating to property."

Floor Title Amendment No. **SB 341,** by Representative Riner:

Amend printed copy of **SB 341,** Title, to amend the title by deleting "exceptional children" and inserting in lieu thereof "education".

Floor Amendment No. 5 to **SB 341,** by Representative Burnette:

Amend printed copy of **SB 341,** page 16, after line 8, by inserting the following:

"SECTION 14. A NEW SECTION OF KRS CHAPTER 161 IS CREATED TO READ AS FOLLOWS:

(1) All persons who now or hereafter are employed by or who now or hereafter are on the paroll of any school board, board of regents, or board of trustees of the state educational system are hereby required to take an oath before any person duly authorized to take acknowledgements of instruments for public record in the state in the following form:

"I ____________________________, a citizen of the STate of Kentucky and of the United States of America, and being employed by or an officer of ____________________________ and a recipient of public funds as such employee or officer, do hereby solemnly swear or affirm that I will support the constitution of the United States and the constitution of this commonwealth; and I further state, in order to establish my support for the constitution of the United States and the Commonwealth of Kentucky, that I do not personally believe in the overthrow of the government of the United States or of the Commonwealth of Kentucky by force or violence.

(2) Said oath shall be filed with the records of the employing agency prior to the approval of any voucher for the payment of salary, expenses, or other compensation.

(3) If a person refuses to take the oath, or having taken the oath, thereafter teaches or expresses any belief in the overthrow of the government of the United States or of the Commonwealth of Kentucky by force or violence, he shall immediately be placed on leave of absence without pay pending the results of a hearing.

(4) If the evidence provided by a due process hearing indicates the person is guilty of the charge, the person shall be immediately discharged by the board of education and his name removed from the payroll, and thereafter such person shall not be permitted to be employed by a school district.

(5) If the evidence of the due process hearing shows the person not guilty of the charge, he shall be reinstated in his original position and shall receive all forfeited pay.

(6) Currently employed persons must take the oath at the first renewal date of the contract following the effective date of this Act if such oath has not been previously taken.";

and on page 16, line 9, by changing "Section 14" to "Section 15".

Floor Amendment No. 1 to **SB 65** by Representative O'Brien:

Amend printed copy of **SB 65,** page 1, after line 18, by adding the following:
"Section 2. KRS 45.360 is amended to read as follows:

(1) The executive department for finance and administration shall, *in accordance with this section and the provisions of KRS Chapter 45A and 56,* purchase, or shall delegate and control the purchase of, the combined requirements of all spending agencies of the state including, but not limited to, interests in real property, contractual services, rentals of all types, supplies, materials, equipment, and services, except that competitive bids may not be required:

(a) For contractual services where no competition exists, such as telephone service, electrical energy, and other public utility services;

(b) When in the judgment of the executive department for finance and administration food, clothing, equipment, supplies, or other materials to be used in laboratory and experimental studies can be purchased otherwise to the best advantage of the state; and instructional materials available from only one (1) source;

(c) Where rates are fixed by law or ordinance;

(d) For library books;

(e) For commercial items that are purchased for resale;

(f) For professional, technical, scientific, or artistic services [(Contracts exempted by this provision shall be reviewed and approved in accordance with KRS 45.535)];

(g) For all other commodities, equipment and services which, in the reasonable discretion of the executive department for finance and administration, are available from only one (1) source; and

(h) Interests in real property.

(2) Nothing in this section shall deprive the executive department for finance and administration from negotiating with vendors who maintain a general service administration price agreement with the United States of America or any agency thereof, provided, however, that no contract executed under this provision shall authorize a price higher than is contained in the contract between general service administration and the vendor affected.

(3) The executive department for finance and administration shall have supervision over all purchases by the various spending agencies, except as otherwise provided by law, and shall prescribe rules and regulations *as provided by KRS Chapters 45A and 56* to govern purchasing by or for all such agencies, [subject to the approval of the secretary of the executive department for finance and administration,] and shall publish a manual of procedures to be distributed to agencies [and to be revised upon issuance of amendments to such procedures]. No purchase or contract shall be binding on the state or any agency thereof unless approved by the department or made under general regulations which the executive department for finance and administration may prescribe.

(4) The department for finance and administration shall adopt regulations to require agencies to take and maintain inventories of plant and equipment. The department for finance and administration *may* [shall] conduct periodic physical audits of inventories.

(5) [The executive department for finance and administration shall require all agencies to furnish an estimate of specific needs for supplies, materials, and equipment to be purchased by competitive bidding for the purpose of permitting scheduling of purchasing in large volume. It shall establish and enforce schedules for purchasing supplies, materials, and equipment. In addition, all agencies shall submit to the executive department for finance and administration prior to the beginning of each fiscal year an estimate of all needs for supplies, materials, and equipment during that year which will have to be acquired through competitive bidding.]

[(6)] The department for finance shall have power[, with the approval of the secretary of the executive department for finance and administration,] to transfer between departments, to salvage, to exchange, and to condemn supplies, equipment, and real property.

(6)[(7)] *(a) Except where such authority is delegated in accordance with paragraph (b) of this subsection,* the department of finance shall sell or otherwise dispose of all property (including any interest in real property) of the state which is not needed or has become unsuitable for public use, or would be more suitable consistent with the public interest for some other use, as determined by the secretary of the department of finance. The determination of the secretary of the executive department for finance and administration shall be set forth in an order, and shall be reached only after [review of] a [written] request by the agency desiring to dispose of the property. Such request shall describe the property and state the reasons why the agency believes disposal should be effected. All instruments required by law to be recorded which convey any interest in any such real property so disposed of shall be executed and signed by the secretary of the executive department for finance and administration and approved by the governor. Unless the secretary of the executive department for finance and administration deems it in the best interest of the state

to proceed otherwise, all such property (including any interests in real property) shall be sold either by invitation of sealed bids or by public auction, provided however that the selling price of any interest in real property shall not be less than the appraised value thereof as determined by the department, or the department of transportation for such requirements of that department.

(b) In cases involving live animals and growing crops, where the secretary of finance finds that the marketability or value of such state property will be adversely affected by the delay imposed by the regular surplus property processing procedures, the secretary of finance may delegate the authority to dispose of the state property to the governmental unit or agency having custody or charge of the property.

(7)[(8)] Except as provided in KRS Chapters 175, 176, 177 and 180, [and subject to the provisions of KRS Chapter 45A,] the executive department for finance and administration shall purchase or otherwise acquire all real property determined to be needed for state use, upon the approval of the secretary of the executive department for finance and administration as to the determination of need and as to the action of purchase or other acquisition, provided that the amount paid shall not exceed the appraised value as determined by the department, or the department of transportation (for such requirements of that department), or value set by eminent domain procedure.

(8)[(9)] Real property or any interest therein may[, subject to the provisions of KRS Chapter 45A,] be purchased, leased, or otherwise acquired from any officer or employe of any agency of the state upon a finding by the executive department for finance and administration, based upon a written application by the head of the agency requesting the purchase, and approved by the secretary of the executive department for finance and administration and the governor, that the employe has not either himself or through any other person influenced or attempted to influence either the agency requesting the purchase of the property or the executive department for finance and administration in connection with such acquisition. In any case in which such an acquisition is consummated, the said request and finding shall be recorded and kept by the secretary of state along with the other documents recorded pursuant to the provisions of KRS Chapter 56.

(9[(10)] The executive department for finance and administration shall maintain records of all purchases and sales made under its authority and shall make periodic summary reports of all transactions to the secretary of the executive department for finance and administration, the governor, and the general assembly. The executive department for finance and administration shall also report trends in costs and prices, including savings realized through improved practices, to the above authorities.

(10)[(11)] For capital construction projects, [subject to the provisions of KRS Chapter 45A,] the bidding may be on a total design-bid basis; a package system commonly referred to as "turnkey"; phase bidding commonly referred to as "fast track"; or construction management, whichever in the judgment of the secretary of the executive department for finance and administration offers the lowest real cost to the taxpayer. Bids shall be reviewed by the engineering staff to assure quality and value, and compliance with bid procedures. All specifications shall be written to promote competition.

(11)[(12)] The department of finance shall attempt in every practicable way to insure the state's supplying its real needs at the lowest possible cost.

(12)[(13)] The department of finance shall have control and supervision over all purchases of energy consuming equipment, supplies and related equipment purchased or acquired by any agency of the state as provided in KRS 45.360 to 45.990, and shall designate by regulation the manner in which an energy consuming item will be purchased so as to promote energy conservation and acquisition of energy efficient products.

Section 3. KRS 45A.015 is amended to read as follows:

[(1) Unless displaced by the particular provisions of this code, the principles of law and equity, including the uniform commercial code, the law merchant, and law relative to capacity to contract, agency, fraud, misrepresentation, duress, coercion, mistake, and bankruptcy, shall supplement its provisions.]

[(2)] Every contract or duty under this code shall impose an obligation of good faith in its performance or enforcement. "Good faith" shall mean honesty in fact in the conduct or transaction concerned and the observance of reasonable [commercial] standards of fair dealing.

Section 4. KRS 45A.020 is amended to read as follows:

[(1)] *Except as may otherwise be provided by law,* this code shall apply to every expenditure of public funds by this Commonwealth under any contract or like business agreement, excepting only that this code shall not apply to contracts or like business agreements between the Commonwealth and its political subdivisions or other governments, except as provided in KRS 45A.295 to 45A.320 and 45A.345 to 45A.460 *nor*[. It shall also apply] to the disposal of state property.

[(2) Since this code is a general act intended to provide model coverage of its subject matter, no part of it shall be deemed to be impliedly repealed by subsequent legislation if such construction of the subsequent legislation can be reasonably avoided.]

Section 5. KRS 45A.030 is amended to read as follows:

The words defined in this section shall have the meanings set forth below whenever they appear in this code, unless the context in which they are used clearly requires a different meaning; or a different definition is prescribed for a particular section, group of sections or provision.

(1) "Business" shall mean any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other legal entity through which business is conducted.

(2) "Change order" shall mean a written order signed by the purchasing officer, directing the contractor to make changes which the changes clause of the contract authorizes the purchasing officer to order without the consent of the contractor.

(3) "Chief purchasing officer" shall mean the secretary of the executive department for finance and administration, who shall be responsible for all procurement of the Commonwealth except *for contracts for the construction of roads and bridges* as provided by KRS Chapters 175, 176, 177 and 180.

(4) "Construction" shall mean the process of building, altering, repairing, improving or demolishing any public structures or buildings, or other public improvements of any kind to any public real property. It does not include the routine maintenance of existing structures, buildings, or real property.

(5) "Contract" shall mean all types of state agreements, including grants and orders, for the purchase or disposal of supplies, services, construction, or any other item. It shall include awards; contracts of a fixed-price, cost, cost-plus-a-fixed-fee, or incentive type; contracts providing for the issuance of job or task orders; leases; letter contracts; and purchase orders. It also includes supplemental agreements with respect to any of the foregoing.

(6) "Contract modification" shall mean any written alteration in the specifications, delivery point, rate of delivery, contract period, price, quantity, or other contract provisions of any existing contract, whether accomplished by unilateral action in accordance with a contract provision, or by mutual action of the parties to the contract. It shall include bilateral actions, such as supplemental agreements, and unilateral actions, such as change orders, administrative changes, notices of termination, and notices of the exercise of a contract option.

(7) "Contractor" shall mean any person having a contract with a governmental body.

(8) "Data" shall mean recorded information, regardless of form or characteristic.

(9) "Designee" shall mean a duly authorized representative of a person holding a superior position.

(10) "Employe" shall mean an individual drawing a salary from a governmental body or local public agency, whether elected or not, and any non-salaried individual performing personal services for any governmental body or local public agency.

(11) "Governmental body" shall mean any department, commission, council, board, bureau, committee, institution, legislative body, agency, government corporation, or other establishment of the executive or legislative branch of the state.

(12) "May" shall mean permissive.

(13) "Negotiation" shall mean contracting by either the method set forth in KRS 45A.085, 45A.090 or 45A.095.

(14) "Person" shall mean any business, individual, organization or group of individuals.

(15) "Procurement" shall mean the purchasing, buying, renting, leasing, or otherwise obtaining of any supplies, services, or construction. It shall also include all functions that pertain to the obtaining of any supply, service, or construction item, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

(16) "Purchase request" or "purchase requisition" shall mean that document whereby a using agency requests that a contract be obtained for a specified need, and may include, but is not limited to, the technical description of the requested item, delivery schedule, transportation, criteria for evaluation of solicitees, suggested sources of supply, and information supplied for the making of any written determination and finding required by KRS 45A.025.

(17) "Purchasing agency" shall mean any governmental body which is authorized by this code or its implementing regulations or by way of delegation from the chief purchasing officer to contract on its own behalf rather than through the central contracting authority of the chief purchasing officer.

(18) "Purchasing officer" shall mean any person authorized by a governmental body in accordance with procedures prescribed by regulations, to enter into and administer contracts and make written determinations and findings with respect thereto. The term shall also include an authorized representative acting within the limits of authority.

(19) "Services" shall mean the rendering, by a contractor, of its time and effort rather than the furnishing of a specific end product, other than reports which are merely incidental to the required performance of services.

(20) "Shall" shall mean imperative.

(21) "Supplemental agreement" shall mean any contract modification which is accomplished by the mutual action of the parties.

(22) "Supplies" shall mean *commodities, materials and equipment of all kinds* [all property, including but not limited to leases of real property, printing and insurance, except land or a permanent interest in land].

(23) "Using agency" shall mean any governmental body of the state which utilizes any supplies, services, or construction purchased under this code.

Section 6. KRS 45A.045 is amended to read as follows:

The executive department for finance and administration shall have the following authorities and responsibilities:

(1) To serve as the central procurement and contracting agency of the Commonwealth;

(2) To recommend regulations, rules, and procedures;

(3) To purchase or otherwise acquire, or, with the approval of the secretary, to delegate the purchase and acquisition of, all supplies, services and construction for the Commonwealth *as provided in this chapter and in KRS Chapters 45 and 56*;

(4) To sell, trade, or otherwise dispose of surplus supplies, services, and construction for the Commonwealth;

(5) To exercise general supervision and control over all warehouses, storerooms, and stores and of all inventories of supplies, services, and construction belonging to the Commonwealth;

(6) To establish and maintain programs for the development and use of purchasing specifications and for the inspection, testing, and acceptance of supplies, services, and construction.

Section 7. KRS 45A.050 is amended to read as follows:

(1) Except as provided in KRS Chapters 175, 176, 177 and 180 *with respect to the letting, award and administration of contracts for the construction, reconstruction and maintenance of roads and bridges*, all rights, powers, duties, and authority relating to the procurement of supplies, services, and construction, and the management, control, warehousing, sale, and disposal of supplies, services, and construction now vested in or exercised by any state agency under the several statutes relating thereto, are hereby transferred to the secretary of the executive department for finance and administration as provided in this code, subject to the provisions of subsection (2) of this section.

(2) Unless otherwise ordered by the secretary of the executive department for finance and administration, the acquisition of the following shall not be required through the executive department for finance and administration:

(a) Works of art for museum and public display;

(b) Published books, maps, periodicals, and technical pamphlets; and

(c) Services of visiting speakers, professors, and performing artists.

Section 8. KRS 45A.090 is amended to read as follows:

(1) In the event that all bids submitted pursuant to competitive sealed bidding under KRS 45A.080 result in bid prices in excess of the funds available for the purchase, and the [chief] purchasing officer determines in writing:

(a) That there are no additional funds available from any source so as to permit an award to the lowest responsive and responsible bidder; *or* [and]

(b) The best interest of the state will not permit the delay attendant to a resolicitation under revised specifications, or for revised quantities, under competitive sealed bidding as provided in KRS 45A.080, then a negotiated award may be made as set forth in subsections (2) or (3) of this section.

(2) Where there is more than one bidder, competitive negotiations pursuant to KRS 45A.085, shall be conducted with the three (3) (two (2) if there are only two (2)) bidders determined in writing to be the lowest responsive and responsible bidders to the competitive sealed bid invitation. Such competitive negotiations shall be conducted under the following restrictions:

(a) If discussions pertaining to the revision of the specifications or quantities are held with any potential offeror, all other potential offerors shall be afforded an opportunity to take part in such discussions; and

(b) A request for proposals, based upon revised specifications or quantities, shall be issued as promptly as possible, shall provide for an expeditious response to the revised requirements, and shall be awarded upon the basis of the lowest bid price or lowest evaluated bid price submitted by any responsive and responsible offeror.

(3) Where, after competitive sealed bidding, it is determined in writing that there is only one responsive and responsible bidder, a noncompetitive negotiated award may be made with such bidder in accordance with KRS 45A.095.

Section 9. KRS 45A.110 is amended to read as follows:

(1) [A written determination of responsibility of a bidder or offeror shall be made and it shall be made in accordance with regulations issued by the secretary of the executive department for finance and administration.] A reasonable inquiry to determine the responsibility of a bidder or offeror may be conducted. The failure of a bidder or offeror to promptly supply information in connection with such an inquiry may be grounds for a determination of nonresponsibility with respect to such a bidder or offeror.

(2) Except as otherwise provided by law, information furnished by a bidder or offeror pursuant to this section may not be disclosed outside of the division of state purchasing or the purchasing agency administering the contract without prior written consent of the bidder or offeror.

Section 10. KRS 45A.295 is amended to read as follows:

As used in KRS 45A.295 to 45A.320:

(1) "State public purchasing unit" shall mean the executive department for finance and administration and any other purchasing agency of this Commonwealth.

(2) "Local public purchasing unit" shall mean any county, city, governmental entity and other subdivision of the Commonwealth or public agency thereof, public authority, public educational, health, or other institution, any other entity which expends public funds for the acquisition or leasing of supplies, services, and construction, and any *local unit of government* [nonprofit corporation] operating a charitable hospital.

(3) "Public purchasing unit" shall mean either a local public purchasing unit or a state public purchasing unit.

(4) "Foreign purchasing activity" shall mean any buying organization not located in this Commonwealth which, if located in this Commonwealth, would qualify as a public purchasing unit. An agency of the United States government is a foreign purchasing activity.

(5) "Cooperative purchasing" shall mean purchasing conducted by, or on behalf of, more than one public purchasing unit, or by a public purchasing unit with a foreign purchasing activity.

Floor Amendment No. 1 to **SB 68,** by Representative DeFalaise:

Amend printed copy of **SB 68,** page 5, after line 14, by inserting after line 14, the following:

"Section 4. KRS 416.660 is amended to read as follows:

(1) In all actions for the condemnation of lands under the provisions of KRS 416.550 to 416.670, except temporary easements, there shall be awarded to the landowners as compensation such a sum as will fairly represent the difference between the fair market value of the entire tract, all or a portion of which is sought to be condemned, immediately before the taking and the fair market value of the remainder thereof immediately after the taking, including in the remainder all rights which the landowner may retain in the lands sought to be condemned where less than the fee simple interest therein is taken, together with the fair rental value of any temporary easements sought to be condemned.

(2) Any change in the fair market value prior to the date of condemnation which the condemnor or condemnee establishes was substantially due to the general knowledge of the imminence of condemnation or the construction of the project shall be disregarded in determining fair market value. The taking date for valuation purposes shall be either the date the condemnor takes the land, or the date of the trial of the issue of just compensation, whichever occurs first.

(3) If a trial is held for the fixing of the amount of compensation to be awarded to an owner of or party having an interest in property being taken for a public purpose, the courts shall award the condemnee reasonable attorneys' fees and reasonable expert witness fees in the event of any of the following:

(a) If condemnor fails to make any written offer in settlement to condemnee at least thirty (30) days prior to commencement of said trial; or

(b) If the judgment awarded as a result of litigation exceeds by fifty percent (50%) or more the highest written offer in settlement submitted to the condemnee at least thirty (30) days prior to commencement of said trial.

(4) The attorney general or other attorney representing a condemnor in effecting a settlement of an eminent domain proceeding may allow to the condemnee reasonable attorney fees and reasonable expert witness fees.

(5) Reasonable attorney and expert witness fees, as authorized in this section, shall be commensurate with the time spent and reasonable expenses incurred by said persons throughout the entire proceeding."

Floor Amendment No. 2 to Floor Amendment No. 1 to **SB 72,** by Representative Richards:

Amend printed copy of Floor Amendment No. 1 to Senate Bill 72, page 1, line 13, by inserting the word "*October*" after the word "by" and by placing brackets "[]" around the word "September";

and on page 1, line 17, by inserting the word "*October*" after the word "by" and by placing brackets "[]" around the word "September";

and on page 2, line 2, by inserting the following after the word "section":

"*Any child who attended nursery school during the 1979-80 school year and will be five years of age on or before December 31, 1980, shall be eligible for enrollment in a public kindergarten program for the 1980-81 school year.*"

Floor Amendment No. 6 to **SB 193**, by Representative Bruce:

Amend printed copy of **SB 193**, page 21, after line 5, by adding the following:

"Section 24. KRS 365.280 is amended to read as follows:

(1) It shall be unlawful for any wholesaler or retailer, with intent to injure competitors or destroy or substantially lessen competition, to advertise, offer to sell, or sell, at wholesale or retail, cigarettes at less than cost to such wholesaler or retailer, as the case may be, as defined in this KRS 365.260 to 365.380. It shall be unlawful for any wholesaler or retailer with intent to injure competitors or destroy or substantially lessen competition to offer a rebate in price, to give a rebate in price, to offer a concession of any kind or to give a concession of any kind or nature whatsoever in connection with the sale of cigarettes. It shall be unlawful for any retail dealer to induce or attempt to induce or to procure or attempt to procure the purchase of cigarettes at a price less than "cost to wholesaler" and it shall be unlawful for any retail dealer to induce or attempt to induce or to procure or attempt to procure *or receive* any rebate or concession of any kind or nature whatsoever in connection with the purchase of cigarettes. Any wholesaler or retailer who violates the provisions of this section shall be guilty of a misdemeanor and be punishable by fine of not more than five hundred dollars.

(2) Evidence of advertisement, offering to sell, or sale of cigarettes by any wholesaler or retailer at less than cost to him, or evidence of any offer of a rebate in price or the giving of a rebate in price or an offer of a concession or the giving of a concession of any kind or nature whatsoever in connection with the sale of cigarettes or the inducing or attempt to induce or the procuring or the attempt to procure the purchase of cigarettes at a price less than cost to the wholesaler or the retailer, as defined in this KRS 365.260 to 365.380, shall be prima facie evidence of intent to injure competitors and to destroy or substantially lessen competition.

Section 25. KRS 365.370 is amended to read as follows:

(1) The Department of Revenue shall prescribe, adopt, and enforce rules and regulations for the enforcement of KRS 365.260 to 365.380 and may from time to time undertake and make or cause to be made one or more cost surveys for the state or such trading area or areas as it defines. When each such survey is made by or approved by the department it is permissible to use the cost survey as provided in subsection (2) of KRS 365.320 and subsection (2) of 365.360.

(2) *The department shall, upon complaint or upon its own volition, investigate any alleged violation of KRS 365.260 to 365.380 or any rule or regulation adopted thereunder.* The department may, upon notice and after hearing, revoke or suspend any license issued under KRS 138.195 and the rules and regulations of the department promulgated thereunder, for failure of any person to comply with any provisions of KRS 365.260 to 365.380 or any rule or regulation adopted thereunder.

(3) All of the powers vested in the commissioner and Department of Revenue by the provisions of the Cigarette Tax Law are available for the enforcement of KRS 365.260 to 365.380.

(4) Any person aggrieved by any decision, order or finding of the department, suspending or revoking any such license, may appeal therefrom to the Kentucky Board of Tax Appeals as provided by law by filing a petition of appeal with the board in the manner and form and within the time and subject to the terms and conditions as the board shall by rules prescribe.

(5) The judgment or order of the board may be reviewed by a court of competent jurisdiction in the Commonwealth.

Section 26. KRS 138.195 is amended to read as follows:

(1) No person other than a manufacturer shall acquire cigarettes in this state on which the Kentucky cigarette tax has not been paid, nor act as a resident wholesaler, nonresident wholesaler, vending machine operator, sub-jobber, transporter or unclassified acquirer of such cigarettes without first obtaining a license from the department as set out in this section.

(2) Each resident wholesaler shall secure a separate license for each place of business at which cigarette tax evidence is affixed or at which cigarettes on which the Kentucky cigarette tax has not been paid are received. Each nonresident wholesaler shall secure a separate license for each place of business at which evidence of Kentucky cigarette tax is affixed or from where Kentucky cigarette tax is reported and paid. Such a license or licenses shall be secured on or before July 1 of each year, and each licensee shall pay the sum of *one hundred dollars ($100)* [twenty-five dollars ($25.00)] for each such year or portion thereof for which such license is secured.

(3) Each sub-jobber shall secure a separate license for each place of business from which Kentucky tax-paid cigarettes are made available to retailers, whether such place of business is located within or without this state. Such license or licenses shall be secured on or before July 1 of each year, and each licensee shall pay the sum of *one hundred dollars ($100)* [twenty-five dollars ($25.00)] for each such year or portion thereof for which such license is secured.

(4) Each vending machine operator shall secure a license for the privilege of dispensing Kentucky tax-paid cigarettes by vending machines. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars ($5.00) for each year or portion thereof for which such license is secured. No vending machine shall be operated within this commonwealth without having prominently affixed thereto the name of its operator, together with the license number assigned to such operator by the department. The department shall prescribe by regulation the manner in which the information shall be affixed to the vending machine.

(5) Each transporter shall secure a license for the privilege of transporting cigarettes within this state. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars ($5.00) for each such year or portion thereof for which such license is secured. No transporter shall transport any cigarettes without having in actual possession an invoice or bill of lading therefor, showing the name and address of the consignor and consignee, the date acquired by the transporter, the name and address of the transporter, the quantity of cigarettes being transported, together with the license number assigned to such transporter by the department.

(6) Each unclassified acquirer shall secure a license for the privilege of acquiring cigarettes on which the Kentucky cigarette tax has not been paid. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars ($5.00) for each such year or portion thereof for which such license is secured.

(7) Nothing in KRS 138.130 to 138.205 shall be construed to prevent the department from requiring a person to purchase more than one (1) license if the nature of such person's business is so diversified as to justify such requirement.

(8) The department may by regulation require any person licensed under the provisions of this section to supply such information concerning his business, sales or any privilege exercised, as is deemed reasonably necessary for the regulation of such licensees, and to protect the revenues of the state. Failure on the part of such licensee to comply with the provisions of KRS 138.130 to 138.205 or any regulations promulgated thereunder, or to permit an inspection of premises, machines or vehicles by an authorized agent of the department at any reasonable time shall be grounds for the revocation of any license issued by the department, after due notice and a hearing by the department. The commissioner of revenue may assign a time and place for such hearing and may appoint a conferee who shall conduct a hearing, receive evidence and hear arguments. Such conferee shall thereupon file a report with the commissioner together with a recommendation as to the revocation of such license. From any revocation made by the commissioner of revenue on such report, the licensee may prosecute an appeal to the Kentucky board of tax appeals as provided by law. Any person whose license has been revoked for the wilful violation of any provision of KRS 138.130 to 138.205 shall not be entitled to any license provided for in this section, or have any interest in any such license, either disclosed or undisclosed, either as an individual, partnership, corporation or otherwise, for a period of one (1) year after such revocation.

(9) No license issued pursuant to the provisions of this section shall be transferable or negotiable.

(10) Every manufacturer located or doing business in this state shall keep written records of all shipments of cigarettes to persons within this state, and shall submit reports of such shipments as the department may require by regulation.

(11) No person licensed under this section except nonresident wholesalers shall either sell to or purchase from any other such licensee untax-paid cigarettes.

Floor Title Amendment to **SB 193,** by Representative Bruce:

Amend printed copy of **SB 193,** Title Amendment, by ammending the title to read as "AN ACT relating to licenses".

Floor Amendment No. 2 to **SB 296,** by Representative Bruce:

Amend printed copy of **SB 296,** page 10, after line 4 by adding the following:

Section 10. KRS 365.280 is amended to read as follows:

(1) It shall be unlawful for any wholesaler or retailer, with intent to injure competitors or destroy or substantially lessen competition, to advertise, offer to sell, or sell, at wholesale or retail, cigarettes at less than cost to such wholesaler or retailer, as the case may be, as defined in this KRS 365.260 to 365.380. It shall be unlawful for any wholesaler or retailer with intent to injure competitors or destroy or substantially lessen competition to offer a rebate in price, to give a rebate in price, to offer a concession of any kind or to give a concession of any kind or nature whatsoever in connection with the sale of cigarettes. It shall be unlawful for any retail dealer to induce or attempt to induce or to procure or attempt to procure the purchase of cigarettes at a price less than "cost to wholesaler" and it shall be unlawful for any retail dealer to induce

or attempt to induce or to procure or attempt to procure *or receive* any rebate or concession of any kind or nature whatsoever in connection with the purchase of cigarettes. Any wholesaler or retailer who violates the provisions of this section shall be guilty of a misdemeanor and be punishable by fine of not more than five hundred dollars.

(2) Evidence of advertisement, offering to sell, or sale of cigarettes by any wholesaler or retailer at less than cost to him, or evidence of any offer of a rebate in price or the giving of a rebate in price or an offer of a concession or the giving of a concession of any kind or nature whatsoever in connection with the sale of cigarettes or the inducing or attempt to induce or the procuring or the attempt to procure the purchase of cigarettes at a price less than cost to the wholesaler or the retailer, as defined in this KRS 365.260 to 365.380, shall be prima facie evidence of intent to injure competitors and to destroy or substantially lessen competition.

Section 11. KRS 365.370 is amended to read as follows:

(1) The Department of Revenue shall prescribe, adopt, and enforce rules and regulations for the enforcement of KRS 365.260 to 365.380 and may from time to time undertake and make or cause to be made one or more cost surveys for the state or such trading area or areas as it defines. When each such survey is made by or approved by the department it is permissible to use the cost survey as provided in subsection (2) of KRS 365.320 and subsection (2) of 365.360.

(2) *The department shall, upon complaint or upon its own volition, investigate any alleged violation of KRS 365.260 to 365.380 or any rule or regulation adopted thereunder.* The department may, upon notice and after hearing, revoke or suspend any license issued under KRS 138.195 and the rules and regulations of the department promulgated thereunder, for failure of any person to comply with any provisions of KRS 365.260 to 365.380 or any rule or regulation adopted thereunder.

(3) All of the powers vested in the commissioner and Department of Revenue by the provisions of the Cigarette Tax Law are available for the enforcement of KRS 365.260 to 365.380.

(4) Any person aggrieved by any decision, order or finding of the department, suspending or revoking any such license, may appeal therefrom to the Kentucky Board of Tax Appeals as provided by law by filing a petition of appeal with the board in the manner and form and within the time and subject to the terms and conditions as the board shall by rules prescribe.

(5) The judgment or order of the board may be reviewed by a court of competent jurisdiction in the Commonwealth.

Section 12. KRS 138.195 is amended to read as follows:

(1) No person other than a manufacturer shall acquire cigarettes in this state on which the Kentucky cigarette tax has not been paid, nor act as a resident wholesaler, nonresident wholesaler, vending machine operator, sub-jobber, transporter or unclassified acquirer of such cigarettes without first obtaining a license from the department as set out in this section.

(2) Each resident wholesaler shall secure a separate license for each place of business at which cigarette tax evidence is affixed or at which cigarettes on which the Kentucky cigarette tax has not been paid are received. Each nonresident wholesaler shall secure a separate license for each place of business at which evidence of Kentucky cigarette tax is affixed or from where Kentucky cigarette tax is reported and paid. Such a license or licenses shall be secured on or before July 1 of each year, and each licensee shall pay the sum of *one hundred dollars ($100)* [twenty-five dollars ($25.00)] for each such year or portion thereof for which such license is secured.

(3) Each sub-jobber shall secure a separate license for each place of business from which Kentucky tax-paid cigarettes are made available to retailers, whether such place of business is located within or without this state. Such license or licenses shall be secured on or before July 1 of each year, and each licensee shall pay the sum of *one hundred dollars ($100)* [twenty-five dollars ($25.00)] for each such year or portion thereof for which such license is secured.

(4) Each vending machine operator shall secure a license for the privilege of dispensing Kentucky tax-paid cigarettes by vending machines. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars ($5.00) for each year or portion thereof for which such license is secured. No vending machine shall be operated within this commonwealth without having prominently affixed thereto the name of its operator, together with the license number assigned to such operator by the department. The department shall prescribe by regulation the manner in which the information shall be affixed to the vending machine.

(5) Each transporter shall secure a license for the privilege of transporting cigarettes within this state. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars ($5.00) for each such year or portion thereof for which such license is secured. No transporter shall transport any cigarettes without having in actual possession an invoice or bill of lading therefor, showing the name and address of the consignor and consignee, the date acquired by the transporter, the name and

address of the transporter, the quantity of cigarettes being transported, together with the license number assigned to such transporter by the department.

(6) Each unclassified acquirer shall secure a license for the privilege of acquiring cigarettes on which the Kentucky cigarette tax has not been paid. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars ($5.00) for each such year or portion thereof for which such license is secured.

(7) Nothing in KRS 138.130 to 138.205 shall be construed to prevent the department from requiring a person to purchase more than one (1) license if the nature of such person's business is so diversified as to justify such requirement.

(8) The department may by regulation require any person licensed under the provisions of this section to supply such information concerning his business, sales or any privilege exercised, as is deemed reasonably necessary for the regulation of such licensees, and to protect the revenues of the state. Failure on the part of such licensee to comply with the provisions of KRS 138.130 to 138.205 or any regulations promulgated thereunder, or to permit an inspection of premises, machines or vehicles by an authorized agent of the department at any reasonable time shall be grounds for the revocation of any license issued by the department, after due notice and a hearing by the department. The commissioner of revenue may assign a time and place for such hearing and may appoint a conferee who shall conduct a hearing, receive evidence and hear arguments. Such conferee shall thereupon file a report with the commissioner together with a recommendation as to the revocation of such license. From any revocation made by the commissioner of revenue on such report, the licensee may prosecute an appeal to the Kentucky board of tax appeals as provided by law. Any person whose license has been revoked for the wilful violation of any provision of KRS 138.130 to 138.205 shall not be entitled to any license provided for in this section, or have any interest in any such license, either disclosed or undisclosed, either as an individual, partnership, corporation or otherwise, for a period of one (1) year after such revocation.

(9) No license issued pursuant to the provisions of this section shall be transferable or negotiable.

(10) Every manufacturer located or doing business in this state shall keep written records of all shipments of cigarettes to persons within this state, and shall submit reports of such shipments as the department may require by regulation.

(11) No person licensed under this section except nonresident wholesalers shall either sell to or purchase from any other such licensee untax-paid cigarettes.

Floor Title Amendment to **SB 296,** by Representative Bruce:

Amend printed copy of **SB 296,** Title Amendment, by amending the title to read sa follows:

"AN ACT relating to licenses".

Floor Amendment No. 1 to **SB 298,** by Representative B. Richardson:

Amend printed copy of **SB 298,** page 2, after line 12 by adding the following:

Section 2. KRS365.280 is amended to read as follows:

(1) It shall be unlawful for any wholesaler or retailer, with intent to injure competitors or destroy or substantially lessen competition, to advertise, offer to sell, or sell, at wholesale or retail, cigarettes at less than cost to such wholesaler or retailer, as the case may be, as defined in this KRS 365.260 to 365.380. It shall be unlawful for any wholesaler or retailer with intent to injure competitors or destroy or substantially lessen competition to offer a rebate in price, to give a rebate in price, to offer a concession of any kind or to give a concession of any kind or nature whatsoever in connection with the sale of cigarettes. It shall be unlawful for any retail dealer to induce or attempt to induce or to procure or attempt to procure the purchase of cigarettes at a price less than "cost to wholesaler" and it shall be unlawful for any retail dealer to induce or attempt to induce or to procure or attempt to procure *or receive* any rebate or concession of any kind or nature whatsoever in connection with the purchase of cigarettes. Any wholesaler or retailer who violates the provisions of this section shall be guilty of a misdemeanor and be punishable by fine of not more than five hundred dollars.

(2) Evidence of advertisement, offering to sell, or sale of cigarettes by any wholesaler or retailer at less than cost to him, or evidence of any offer of a rebate in price or the giving of a rebate in price or an offer of a concession or the giving of a concession of any kind or nature whatsoever in connection with the sale of cigarettes or the inducing or attempt to induce or the procuring or the attempt to procure the purchase of cigarettes at a price less than cost to the wholesaler or the retailer, as defined in this KRS 365.260 to 365.380, shall be prima facie evidence of intent to injure competitors and to destroy or substantially lessen competition.

Section 3. KRS 365.370 is amended to read as follows:

(1) The Department of Revenue shall prescribe, adopt, and enforce rules and regulations for the enforcement of KRS 365.260 to 365.380 and may from time to time undertake and make or cause to be made one or more cost surveys for the state or such trading area or areas as it defines. When each such survey is made by or approved by the department it is permissible to use the cost survey as provided in subsection (2) of KRS 365.320 and subsection (2) of 365.360.

(2) *The department shall, upon complaint or upon its own volition, investigate any alleged violation of KRS 365.260 to 365.380 or any rule or regulation adopted thereunder.* The department may, upon notice and after hearing, revoke or suspend any license issued under KRS 138.195 and the rules and regulations of the department promulgated thereunder, for failure of any person to comply with any provisions of KRS 365.260 to 365.380 or any rule or regulation adopted thereunder.

(3) All of the powers vested in the commissioner and Department of Revenue by the provisions of the Cigarette Tax Law are available for the enforcement of KRS 365.260 to 365.380.

(4) Any person aggrieved by any decision, order or finding of the department, suspending or revoking any such license, may appeal therefrom to the Kentucky Board of Tax Appeals as provided by law by filing a petition of appeal with the board in the manner and form and within the time and subject to the terms and conditions as the board shall by rules prescribe.

(5) The judgment or order of the board may be reviewed by a court of competent jurisdiction in the Commonwealth.

Section 4. KRS 138.195 is amended to read as follows:

(1) No person other than a manufacturer shall acquire cigarettes in this state on which the Kentucky cigarette tax has not been paid, nor act as a resident wholesaler, nonresident wholesaler, vending machine operator, sub-jobber, transporter or unclassified acquirer of such cigarettes without first obtaining a license from the department as set out in this section.

(2) Each resident wholesaler shall secure a separate license for each place of business at which cigarette tax evidence is affixed or at which cigarettes on which the Kentucky cigarette tax has not been paid are received. Each nonresident wholesaler shall secure a separate license for each place of business at which evidence of Kentucky cigarette tax is affixed or from where Kentucky cigarette tax is reported and paid. Such a license or licenses shall be secured on or before July 1 of each year, and each licensee shall pay the sum of *one hundred dollars ($100)* [twenty-five dollars ($25.00)] for each such year or portion thereof for which such license is secured.

(3) Each sub-jobber shall secure a separate license for each place of business from which Kentucky tax-paid cigarettes are made available to retailers, whether such place of business is located within or without this state. Such license or licenses shall be secured on or before July 1 of each year, and each licensee shall pay the sum of *one hundred dollars ($100)* [twenty-five dollars ($25.00)] for each such year or portion thereof for which such license is secured.

(4) Each vending machine operator shall secure a license for the privilege of dispensing Kentucky tax-paid cigarettes by vending machines. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars ($5.00) for each year or portion thereof for which such license is secured. No vending machine shall be operated within this commonwealth without having prominently affixed thereto the name of its operator, together with the license number assigned to such operator by the department. The department shall prescribe by regulation the manner in which the information shall be affixed to the vending machine.

(5) Each transporter shall secure a license for the privilege of transporting cigarettes within this state. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars ($5.00) for each such year or portion thereof for which such license is secured. No transporter shall transport any cigarettes without having in actual possession an invoice or bill of lading therefor, showing the name and address of the consignor and consignee, the date acquired by the transporter, the name and address of the transporter, the quantity of cigarettes being transported, together with the license number assigned to such transporter by the department.

(6) Each unclassified acquirer shall secure a license for the privilege of acquiring cigarettes on which the Kentucky cigarette tax has not been paid. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars ($5.00) for each such year or portion thereof for which such license is secured.

(7) Nothing in KRS 138.130 to 138.205 shall be construed to prevent the department from requiring a person to purchase more than one (1) license if the nature of such person's business is so diversified as to justify such requirement.

(8) The department may by regulation require any person licensed under the provisions of this section to supply such information concerning his business, sales or any privilege exercised, as is deemed reasonably necessary for the regulation of such licensees, and to protect the revenues of the state. Failure on the part

of such licensee to comply with the provisions of KRS 138.130 to 138.205 or any regulations promulgated thereunder, or to permit an inspection of premises, machines or vehicles by an authorized agent of the department at any reasonable time shall be grounds for the revocation of any license issued by the department, after due notice and a hearing by the department. The commissioner of revenue may assign a time and place for such hearing and may appoint a conferee who shall conduct a hearing, receive evidence and hear arguments. Such conferee shall thereupon file a report with the commissioner together with a recommendation as to the revocation of such license. From any revocation made by the commissioner of revenue on such report, the licensee may prosecute an appeal to the Kentucky board of tax appeals as provided by law. Any person whose license has been revoked for the wilful violation of any provision of KRS 138.130 to 138.205 shall not be entitled to any license provided for in this section, or have any interest in any such license, either disclosed or undisclosed, either as an individual, partnership, corporation or otherwise, for a period of one (1) year after such revocation.

(9) No license issued pursuant to the provisions of this section shall be transferable or negotiable.

(10) Every manufacturer located or doing business in this state shall keep written records of all shipments of cigarettes to persons within this state, and shall submit reports of such shipments as the department may require by regulation.

(11) No person licensed under this section except nonresident wholesalers shall either sell to or purchase from any other such licensee untax-paid cigarettes.

Floor Title Amendment to **SB 298,** by Representative B. Richardson:

Amend printed copy of **SB 298,** Title Amendment, by amending the title to read as follows:

"AN ACT relating to licenses".

Floor Amendment No. 1 to **SB 235,** by Representative Worthington:

Amend printed copy of **SB 235,** page 9, by adding after line 7, the following:

"Section 3. KRS 64.150 is amended to read as follows:

(1) Jailers shall be paid out of the county treasury, except as provided in subsection (2) of this section, the following fees for the following services:

Putting a prisoner charged with an offense or contempt in irons, or to secure his safekeeping in the jail, besides the cost of irons .... $ .50

Keeping and dieting prisoners in jail when confined for an offense or contempt, per day ...*$8.00* [$6.75]

Imprisoning and releasing a prisoner charged with an offense or contempt .... $ .75

Attending district or circuit court, per day (jailer shall be paid the fee for each day a prisoner is transported to court) $6.00

Imprisoning and releasing a prisoner for violation of his probation or parole; provided, however, the state granting probation or parole has executed a compact with the commonwealth in accordance with KRS 439.560. The fees shall be the same as those charged for an offense and contempt.

(2) The unit of government whose law, statute, ordinance, or code a prisoner is charged with or convicted of violating shall be responsible for paying to the jailer the fees provided in subsection (1) of this section. In the event of a person imprisoned for contempt of court, the state shall be deemed the responsible unit of government. Where a person is detained other than for violation of a law or for contempt the unit of government requesting the service of the jailer shall pay to the jailer the fees provided in subsection (1) of this section.

(3) For all other services performed by the jailer, he shall receive the same fees paid to sheriffs for like services.

(4) If a court sends a prisoner to a jail of another county, then the treasurer of the unit of government from which the prisoner was sent shall pay the treasurer of the holding county any fees to which the jailer of the holding county is entitled to by law.

Floor Amendment No. 1 to **SB 376,** by Representative Worthington:

Amend printed copy of **SB 376,** page 143, after line 8, by adding the following:

Section 98. KRS 147A.020 is amended to read as follows:

(1) The department for local government shall exercise all administrative functions of the state as provided in the county debt act, KRS 66.280 to 66.390; as regards county and local government budgets as provided in KRS 68.210 to 68.370; and as to local government bonds as provided in KRS 66.045.

(2) The department for local government shall have the following powers and duties:

(a) To require such reports from local governments as will enable it adequately to provide the technical and advisory assistance authorized by this section. The reports shall provide the necessary information for a complete file on local government debt, which shall be kept open for public inspection at the state local finance offices.

(b) To encourage, conduct, or participate in training courses in debt and general fiscal management and procedures and practices for the benefit of local officials, and in connection therewith, to cooperate with associations of public officials, business and professional organizations, university faculties, or other specialists.

(c) To conduct studies in debt management, including ways and means of appraising the terms of alternative bids.

(d) To request such assistance and information, which shall be provided by all departments, divisions, boards, bureaus, commissions, and other agencies of state government to enable the state local finance officer to carry out his duties under this section.

(e) At its discretion, to compile and publish annually a report. Such report may include detailed information on local government long-term debt issued and retired during the previous year and outstanding, and other available statistical data on local government finances.

(3) The department for local government shall coordinate for the governor the state's responsibility for, and shall be responsible for liaison with the appropriate state and federal agencies with respect to the following programs:

(a) Housing and urban development act as amended;
(b) Demonstration cities and metropolitan development act as amended;
(c) Farmers home administration;
(d) Veterans administration act as amended, as it pertains to housing;
(e) General revenue sharing for local governments.

(4) The department for local government shall provide technical assistance and information to units of local government, including but not limited to:

(a) Fiscal management;
(b) Personnel administration;
(c) Purchases and contracts;
(d) Ordinances and codes;
(e) Community development.

Floor Amendment No. 2 to **SB 376,** by Representative Brown:

Amend printed copy of **SB 376,** page13, after line 18, by inserting the following:

"SECTION 9. A NEW SECTION OF KRS CHAPTER 16 IS CREATED TO READ AS FOLLOWS:

The bureau of state police shall permit payroll deductions of dues to the Kentucky state police professional association when authorized in writing by the employee requesting the payroll deduction."; and

by renumbering Sections 9 through 97 as Sections 10 through 98 accordingly.

Floor Amendment No. 2 to **SB 174,** by Representative Cyrus:

Amend printed copy of **SB 174,** page 3, line 5, after "person" insert:

Section 2. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO READ AS FOLLOWS:

(1) Upon request, school district boards of education shall enter into written negotiated agreements with the organization representing the majority of the teachers employed by the board. Subjects of negotiation shall be compensation for services, hours of work, conditions of employment, curriculum, in-service training and other matters of mutual concern that the parties may agree to include in the Agreement. Such Agreement shall provide that the recognized organization will be the exclusive representative of the teachers in the district.

(2) Agreements negotiated under this section may contain procedures for resolution of grievances and for resolution of impasse in negotiations by utilization of mediations, fact-finding or arbitration.

(3) Services provided by the Kentucky Department of Education and the Kentucky Department of Labor may be utilized in the areas determining majority status, mediation, fact-finding or arbitration.

(4) Teachers shall have the right to join or not to join teacher organizations.

(5) It shall be unlawful for the recognized organizations to cause or authorize any of its members to strike and shall be unlawful for boards of education to cause or authorize a lockout of its employees.

Floor Title Amendment to **SB 174,** by Representative Cyrus:

Amend printed copy of **SB 174,** Title, after the word "to" by deleting "offices and officers" and inserting "education" in lieu thereof.

Floor Amendment No. 3 to **SB 72,** by Representative Riner:

Amend printed copy of **SB 72,** page 3, line 6, after the word "*program.*" by inserting the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

(1) With respect to lectures, fisual aids, textbooks, other prepared subject matter, cirrucula, course guides, course outlines, and other administrative cirricular matter used in all public elementary and secondary schools within the Commonwealth, references supporting the theory of evolution shall be presented only with references to the scientific evidences that tend to disprove the theory of evolution, which are equal in content and context.

(2) Nothing in this Act shall be construed as a control on discussion, nor so as to prevent the use of dual textbooks or teaching materials, or both, to achieve the equal content requirements of this Act.

(3) The requirements of this Act shall be applicable to all presentations of the theory of evolution beginning with the 1982-83 school year.

SECTION 3. A NEWSECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

Beginning in the 1980-81 school year, the state textbook commission, under provisions of KRS 156.435, shall include as a criterion for selection of textbooks for adoption, scientific evidences that tend to disprove the theory of evolution which are equal in content and context to evidences which tend to support the theory of evolution, when references to the theory of evolution are made in a textbook being considered for adoption."

Floor Amendment No. 4 to **SB 362,** by Representative Overstreet:

Amend printed copy of **SB 362,** page 8, by adding after line 3 the following:

"Section 4. KRS 21.350 is amended to read as follows:

(1) Except as provided in subsection (2) of this section, membership in the retirement system established by KRS 21.350 to 21.510 shall consist of, and be confined to, justices of the Supreme Court, judges of the Court of Appeals created by section 111 of the Constitution of Kentucky, circuit judges, and judges of the district court, who have made an election to participate in accordance with KRS 21.360.

(2) Any person who was a member on December 31, 1975, by virtue of holding on that date the office of commissioner of the former Court of Appeals or director of the administrative office of the courts shall continue in membership so long as he continues to render service in any capacity in or for the Court of Justice. *Any person who has served consecutively as a commonwealth's attorney for twenty-eight (28) or more years shall be deemed to have participated in the judicial retirement system during his service as a commonwealth's attorney. He shall be entitled to the retirement benefits under the judicial retirement system to which a judge with equivalent service time who entered the system prior to July 1, 1978, would be entitled. Upon his retirement, money attributable to him in the member's contribution account (KRS 61.575) and the retirement allowance account (KRS 61.580) shall be transferred to the judicial retirement board for the purpose of paying his retirement allowance under the judicial retirement system.*

(3) The limitation of membership made by this section does not affect rights to benefits based on service rendered before the 1978 amendment to this section took effect."

Floor Amendment No. 1 to **SB 390,** by Representative Donnermeyer:

Amend printed copy of **SB 390,** page 14, after line 10, by adding the following:

Section 5. KRS 45.360 is amended to read as follows:

(1) The executive department for finance and administration shall purchase, or shall delegate and control the purchase of, the combined requirements of all spending agencies of the state including, but not limited to, interests in real property, contractual services, rentals of all types, supplies, materials, equipment, and services, except that competitive bids may not be required:

(a) For contractual services where no competition exists, such as telephone service, electrical energy, and other public utility services;

(b) When in the judgment of the executive department for finance and administration food, clothing, equipment, supplies, or other materials to be used in laboratory and experimental studies can be purchased otherwise to the best advantage of the state; and instructional materials available from only one (1) source;

(c) Where rates are fixed by law or ordinance;

(d) For library books;

(e) For commercial items that are purchased for resale;

(f) For professional, technical, scientific, or artistic services (Contracts exempted by this provision shall be reviewed and approved in accordance with KRS 45.535);

(g) For all other commodities, equipment and services which, in the reasonable discretion of the executive department for finance and administration, are available from only one (1) source; and

(h) Interests in real property.

(2) Nothing in this section shall deprive the executive department for finance and administration from negotiating with vendors who maintain a general service administration price agreement with the United States of America or any agency thereof, provided, however, that no contract executed under this provision shall authorize a price higher than is contained in the contract between general service administration and the vendor affected.

(3) The executive department for finance and administration shall have supervision over all purchases by the various spending agencies, except as otherwise provided by law, and shall prescribe rules and regulations to govern purchasing by or for all such agencies, subject to the approval of the secretary of the executive department for finance and administration, and shall publish a manual of procedures to be distributed to agencies and to be revised upon issuance of amendments to such procedures. No purchase or contract shall be binding on the state or any agency thereof unless approved by the department or made under general regulations which the executive department for finance and administration may prescribe.

(4) The executive department for finance and administration shall adopt regulations to require agencies to take and maintain inventories of plant and equipment. The executive department for finance and administration shall conduct periodic physical audits of inventories.

(5) The executive department for finance and administration shall require all agencies to furnish an estimate of specific needs for supplies, materials, and equipment to be purchased by competitive bidding for the purpose of permitting scheduling of purchasing in large volume. It shall establish and enforce schedules for purchasing supplies, materials, and equipment. In addition, all agencies shall submit to the executive department for finance and administration prior to the beginning of each fiscal year an estimate of all needs for supplies, materials, and equipment during that year which will have to be acquired through competitive bidding.

(6) The executive department for finance and administration shall have power, with the approval of the secretary of the executive department for finance and administration, to transfer between departments, to salvage, to exchange, and to condemn supplies, equipment, and real property.

(7) The executive department for finance and administration shall sell or otherwise dispose of all property (including any interest in real property) of the state which is not needed or has become unsuitable for public use, or would be more suitable consistent with the public interest for some other use, as determined by the secretary of the executive department for finance and administration. The determination of the secretary of the executive department for finance and administration shall be set forth in an order, and shall be reached only after review of a written request by the agency desiring to dispose of the property. Such request shall describe the property and state the reasons why the agency believes disposal should be effected. All instruments required by law to be recorded which convey any interest in any such real property so disposed of shall be executed and signed by the secretary of the executive department for finance and administration and approved by the governor. Unless the secretary of the executive department for finance and administration deems it in the best interest of the state to proceed otherwise, all such property (including any interests

in real property) shall be sold either by invitation of sealed bids or by public auction, provided however that the selling price of any interest in real property shall not be less than the appraised value thereof as determined by the department, or the department of transportation for such requirements of that department.

(8) Except as provided in KRS Chapters 175, 176, 177 and 180, and subject to the provisions of KRS Chapter 45A, the executive department for finance and administration shall purchase or otherwise acquire all real property determined to be needed for state use, upon the approval of the secretary of the executive department for finance and administration as to the determination of need and as to the action of purchase or other acquisition, provided that the amount paid shall not exceed the appraised value as determined by the department, or the department of transportation (for such requirements of that department), or value set by eminent domain procedure.

(9) Real property or any interest therein may, subject to the provisions of KRS Chapter 45A, be purchased, leased, or otherwise acquired from any officer or employe of any agency of the state upon a finding by the executive department for finance and administration, based upon a written application by the head of the agency requesting the purchase, and approved by the secretary of the executive department for finance and administration and the governor, that the employe has not either himself or through any other person influenced or attempted to influence either the agency requesting the purchase of the property or the executive department for finance and administration in connection with such acquisition. In any case in which such an acquisition is consummated, the said request and finding shall be recorded and kept by the secretary of state along with the other documents recorded pursuant to the provisions of KRS Chapter 56.

(10) The executive department for finance and administration shall maintain records of all purchases and sales made under its authority and shall make periodic summary reports of all transactions to the secretary of the executive department for finance and administration, the governor, and the general assembly. The executive department for finance and administration shall also report trends in costs and prices, including savings realized through improved practices, to the above authorities.

(11) For capital construction projects, subject to the provisions of KRS Chapter 45A, the bidding may be on a *single and separate bid* [total design-bid] basis; a package system commonly referred to as "turnkey"; phase bidding commonly referred to as "fast track"; or construction management, whichever in the judgment of the secretary of the executive department for finance and administration offers the lowest real cost to the taxpayer. Bids shall be reviewed by the engineering staff to assure quality and value, and compliance with bid procedures. All specifications shall be written to promote competition.

(12) The executive department for finance and administration shall attempt in every practicable way to insure the state's supplying its real needs at the lowest possible cost.

(13) The executive department for finance and administration shall have control and supervision over all purchases of energy consuming equipment, supplies and related equipment purchased or acquired by any agency of the state as provided in KRS 45.360 to 45.990, and shall designate by regulation the manner in which an energy consuming item will be purchased so as to promote energy conservation and acquisition of energy efficient products.

Floor Title Amendment to **SB 390,** by Representative Donnermeyer:

Amend printed copy of **SB 390,** page 1, Title, by deleting "area development fund" and inserting in lieu thereof "capital projects".

Floor Amendment No. 7 to Floor Amendment No. 3 to **SB 58,** by Representative Wilborn:

Amend printed copy of Floor Amendment No. 3 to **SB 58,** page 6, line 4, after the word "loans" insert the following language ", which are insured or guaranteed to at least eight-five percent (85%) of its principal amount by the United States of America or any agency or instrumentality thereof."

Floor Title Amendment to **SB 295,** by Representative DeFalaise:

Amend printed copy of **SB 295,** Title Amendment, as follows:

Delete the title as written, and insert in lieu thereof the following title: "AN ACT relating to cities."

Floor Amendment No. 1 to **SB 295,** by Representative DeFalaise:

Amend printed copy of **SB 295,** page 1, line 2, as follows:

On page 1, after line 2, insert the following new section:

SECTION 2. A NEW SECTION OF KRS CHAPTER 337 IS CREATED TO READ AS FOLLOWS:

(1) The prevailing wage review board shall have the authority to modify the class of rates to be applied to any specific public works project, or to grant an exception to prevailing wage rates or coverage on any specific project in any of the following instances:

(a) If the project has been properly and legally advertised as required by state or local law and no qualified bids are received, or;

(b) If it can be conclusively shown that the application of the prevailing wage requirements set forth in this chapter on any specific public works project, constructed by any city of the fourth, fifth or sixth class or by any county which does not contain a city of the first, second or third class, would adversely affect individual private property owners in the construction of public works and where the total costs are assessed directly and exclusively against the private owners of the benefited property as provided in KRS 94.297 to 94.301;

(c) If it can be conclusively shown that the nature or scope of a proposed public works project is of such an emergency or unusual nature or is subject to such restricted and limited funding that the application of the provisions of KRS 337.505 to 337.550 would prohibit the completion or construction of the project. Such exception or modification shall apply only to public works projects constructed by cities of the fourth, fifth or sixth class or by counties which do not contain a city of the first, second or third class.

(2) No exception shall be granted nor modification approved or any project having a fairly estimated value in excess of one hundred and fifty thousand dollars ($150,000).

(3) Any interested party may request a prevailing wage review board consideration of exception to KRS 337.505 to 337.550 pursuant to this Act on any specific project by written application to the commissioner stating the reasons for such request and describing the general nature of the exception or modification desired. Any such request shall be made prior to the awarding of any work contract or the commencing of any actual construction work on the project to be considered.

(4) The commissioner shall have sole authority to convene the prevailing wage review board and any action by the prevailing wage review board shall be subject to review and approval by the commissioner.

(5) An exception or modification granted by the prevailing wage review board which does not specify a schedule of prevailing wage rates as determined by the commissioner shall contain a statement of the lowest allowable wage rates per hour for all workers and mechanics on the project and shall contain a statement that all provisions of KRS Chapter 337 not specifically excepted or modified will be complied with by the public authority. Exceptions or modifications shall be applicable only after the prevailing wage review board has given written notice to the commissioner of recommended exceptions or modifications and the commissioner has approved such recommendations. Public authorities having been granted such exception or modification shall acknowledge such action prior to commencing any affected public works project by letter to the commissioner stating that the provisions of such exception will be adhered to and that all other provisions of this chapter will be complied with.

(6) An individual may be designated by the commissioner to as chairperson and recorder at any prevailing wage review board meeting and may advise the board members of statutory provisions but shall have no voice or vote. The prevailing wage review board shall not be required to meet more often than once every sixty (60) days. If more than one (1) request is to be considered by the board and affected projects are located in more than one (1) locality, the commissioner may request the board to meet in any location which would expedite or more efficiently accommodate the boards' deliberations.

(7) Nothing contained in this section shall serve to modify, change or set asaide any provisions of any other federal, state or local statute, regulation, law or ordinance.

Floor Amendment No. 6 to Floor Amendment No. 3 to **SB 341** by Representative Richards:

Amend printed copy of Floor Amendment No. 3 to **SB 341,** page 1, line 17, by placing brackets before "during" and after "1978-79" and inserting the following in lieu thereof: "*and shall be six (6) years of age by December 31*";

and on page 1, line 18, by placing brackets before the following: "for the school year";

and on page 1, line 19, by deleting "*1980-81*" and placing a bracket after "1979-80";

and on page 2, line 1, by inserting "*has*" after "*who*" and deleting "*during the*";

and on page 2, line 2, by deleting "*1979-80 school year*";

and on page 2, line 3, by deleting "*1980*";

and on page 2, line 4, by deleting "*for the 1980-81 school year*".

Floor Amendment No. 4 to **SB 72,** by Representative Deskins:

Amend printed copy of **SB 72,** page 3, line 6, by adding the following after line 6:

"Section 2. KRS 158.030 is amended to read as follows:

[(1)] A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by *December 31* [September 1], 1979, and any year thereafter, shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by *December 31* [September 1], 1979, and any year thereafter, may enter a public school kindergarten. Any child who has successfully completed kindergarten during the school year *1979-80* [1978-79] shall be eligible for enrollment in the first grade for the school year *1980-81* [1979-80] notwithstanding any other age requirements of this section.

[(2) The parent or legal guardian of any child who becomes five (5) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter kindergarten at the beginning of the school year in which the child becomes five (5).

(3) The parent or legal guardian of any child who becomes six (6) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter first grade at the beginning of the school year in which the child becomes six (6).

(4) The state board for elementary and secondary education shall establish procedures for consideration of such petitions including readiness testing and such other measures as may be deemed necessary.]"

Floor Amendment No. 3 to **SB 362,** by Representative Kidd:

Amend printed copy of **SB 362,** page 8, line 3, by inserting the following after line 3:

"SECTION 4. A NEW SECTION OF KRS 21.345 TO KRS 21.520 IS CREATED TO READ AS FOLLOWS:

(1) Effective July 15, 1980, the retirement system established by KRS 21.345 to 21.520, shall include the members of the general assembly upon their election to participate therein in accordance with subsection (2) of this section. The annual accrual rate of general assembly members for service after July 15, 1980 shall be two and seventy-five hundredths percent (2.75%), except that the annual accrual rate for members of the general assembly for service prior to July 1, 1978, and for continuous service thereafter, shall be the same rate as for judges in office on June 30, 1978, and the annual accrual rate for service beginning after July 1, 1978, and for continuous service thereafter, shall be the same as for judges who entered office after July 1, 1978 but before July 15, 1980.

(2) Each member of the general assembly in office on July 15, 1980 may, within thirty (30) days after July 15, 1980, and any member of the general assembly thereafter taking office may within thirty (30) days after taking office, elect to make monthly contributions to the system established by KRS 21.345 to 21.520 in an amount equal to five percent (5%) of his assumed annual salary on a monthly basis. The election shall be effective to establish membership in the system as of July 15, 1980, or as of the date the member thereafter takes office, as the case may be. The election shall be addressed and filed and have effect the same as an election made by a justice or judge under KRS 21.360.

(3) KRS 21.375 notwithstanding, members of the general assembly who elect membership in the judicial retirement system shall have their service in the Kentucky employes' retirement system, county employes' retirement system or teachers' retirement system credited, for the purposes of vesting and determining retirement allowances, to their account in the judicial retirement system. Money attributable to the member in the member's contribution account (KRS 61.575, 78.640), the retirement allowance account (KRS 61.580, 78.650), the teachers' saving fund (KRS 161.420(2)) or the state accumulation fund (KRS 161.420(3))shall be transferred to the judicial retirement board for payment of retirement allowances of members of the general assembly who elect membership in the judicial retirement system.

Section 5. KRS 21.400 is amended to read as follows:

(1) A member who retires on or after his normal retirement date shall receive a service retirement allowance, payable monthly during his lifetime, in an amount per month equal to four and fifteen one hundredths percent (4.15%) of his final compensation multiplied by the number of years of his service, but in no event to exceed one hundred percent (100%) of final compensation, except that for any service performed while a member prior to July 1, 1978, any service prior to July 1, 1962 creditable under KRS 21.345, and any service performed in continued membership (or allowable under KRS 21.410 or 21.420) after June 30, 1978, by a person who was a member on that date, the monthly percentage figure shall be five percent (5%), and except that allowances heretofore granted, and rights related thereto, shall not be affected by the 1978 amendment to this section. For this purpose, "final compensation" means the average monthly compensation of the member for the sixty (60) months of service immediately preceding his retirement, including, in the case of a circuit judge, compensation received as special commissioner of the former Court of Appeals. *In the case of members of the General Assembly, the monthly final compensation figure shall be computed on the basis of an assumed annual salary of $18,000 per year, which shall include per diem and expense payments authorized by KRS Chapter 6.* If, at the time of retirement or death of a member his total period of service in one or more positions covered by the system has not amounted to sixty (60) months, his "final compensation" shall be computed as if he had served in the first position he occupied under the system for such period of time as to bring his total service (in all positions) to sixty (60) months. If that category of position was not in existence for that period, it shall be treated as though it had been in existence for that period and as if the compensation paid for the presumed period of existence was at the rate provided for the category when it in fact first was created.

(2) A member who retires before his normal retirement date shall be vested with the right to receive, when he reaches his normal retirement age, a service retirement allowance computed and payable in accordance with the provisions of subsection (1) of this section, on the basis of the number of years of his actual service.

(3) In lieu of the right provided for in subsection (2) of this section, a member who retires before his normal retirement age may elect, at any time before reaching his normal retirement age, to be paid commencing as of the time of the election a monthly service retirement allowance equal in amount to the monthly allowance that would have become payable under subsection (2) of this section when he reached his normal retirement age, reduced actuarially in accordance with his actual age at the time the election is made.

Section 6. KRS 21.345 is amended to read as follows:

(1) For the purposes of KRS 21.350 to 21.510, "retirement" means a voluntary resignation or a failure of re-election, but does not include a removal for cause.

(2) The word "service" as used in KRS 21.370 to 21.480 means service as a justice of the Supreme Court, *as a member of the General Assembly in accordance with Section 4 of this Act,* as a judge of the Court of Appeals created by Section 111 of the Constitution of Kentucky, as a regular circuit judge, or as a regular judge of the district court, including service in one (1) and then another of those capacities. It also includes service as a judge or commissioner of the former Court of Appeals, or as director of the administrative office of the courts, prior to January 1, 1976, and service continuing beyond that date, in any capacity in or for the Court of Justice, by any person who held the office of commissioner of the former Court of Appeals, or director of the administrative office of the courts, on December 31, 1975. The word "service" embraces only service performed while a member of the retirement system established by KRS 21.350 to 21.510, except that, service in any of the positions hereinabove mentioned, before the judicial retirement system was made applicable to that category of position, shall be included.

(3) For the purposes of KRS 21.345 to 21.510, a "year" of service means a total of twelve (12) months of service, which need not be in the same calendar year. Service in any calendar month shall be deemed to constitute a month of service.

(4) The provisions of this section shall not apply to any director of the administrative office of the courts appointed after January 1, 1976, nor shall they apply to any commissioner of the Court of Appeals not appointed prior to January 1, 1976. The administrative director of the courts and commissioners of the Court of Appeals appointed prior to January 1, 1976, shall continue to be members of the system so long as they continue to render service in any capacity in or for the Court of Justice.

Section 7. KRS 21.350 is amended to read as follows:

(1) Except as provided in subsection (2) of this section, membership in the retirement system established by KRS 21.350 to 21.510 shall consist of, and be confined to, justices of the Supreme Court, judges of the Court of Appeals created by Section 111 of the Constitution of Kentucky, circuit judges, and judges of the district court, who have made an election to participate in accordance with KRS 21.360, *and members of the General Assembly in accordance with Section 4 of this Act.*

(2) Any person who was a member on December 31, 1975, by virtue of holding on that date the office of commissioner of the former Court of Appeals or director of the administrative office of the courts, shall continue in membership so long as he continues to render service in any capacity in or for the Court of Justice.

(3) The limitation of membership made by this section does not affect rights to benefits based on service rendered before the 1978 amendment to this section took effect."

Floor Amendment No. 2 to **SB 236,** by Representative Noe:

Amend printed copy of **SB 236,** page 1, after the title:

delete the page in its entirety;

page 2 above the enacting clause delete the page in its entirety;

page 2, lines 1-2 delete the lines in their entirety;

delete pages 3-78 in their entirety.

Floor Amendment No. 3 to **SB 365,** by Representative Deskins:

Amend printed copy of **SB 365** as follows:

Page 1, by deleting lines 1 through 21 in their entirety; and on

Page 2, by deleting lines 1 and 2 in their entirety and renumbering all sections of the bill to conform; and on

Page 2, line 6 by deleting the words "circuit clerk as"; and on

Page 2, line 21, by deleting the words "notwithstanding the provisions of KRS 117.110,"; and on

Page 2, line 24, by deleting the words "by the"; and on

Page 2, by deleting lines 25 and 26 in their entirety; and on

Page 3, by deleting line 1 in its entirety; and on

page 8, by adding the following:

Section 6. KRS 172.140 is amended to read as follows:

(1) Any person may use the books in the library. [, but the clerk shall not permit anyone to take the books out of the library, except that] Officials and attorneys at law may take the books to courtrooms to be used in the argument of cases there pending but not elsewhere.

(2) Any person who has in his possession any public book belonging to the state shall[, upon request of the clerk having custody of the book,] return it [to the clerk].

Section 7. KRS 172.150 is amended to read as follows:

[The clerk shall keep a record in which he shall charge each book to the person taking it from the library and he shall see that all books so taken are returned at the proper time.] If any person fails to return a book taken out by him, he shall be liable for double the cost thereof [and the clerk shall move for judgment in the name of the state against such person under the procedure set out in KRS 418.005 to 418.015 and CR 6.03 (2)]. The state may have attachment without bond for all such books.

Section 8. KRS 172.110, Circuit Clerk is librarian-Duties-Salary-Inventory; and KRS 172.120, Clerk to give inventories to successor-Receipt to predecessor-Liability for books lost, are repealed.

Floor Title Amendment No. 2 to **SB 236,** by Representative Noe:

Amend printed copy of **SB 236,** page 1, Title, by amending the title to read as follows:

"AN ACT relating to county clerks."

Floor Amendment No. 3 to **SB 296,** by Representative Hancock:

Amend printed copy of **SB 296,** page 3, lines 6 and 7 by placing brackets around "or licensed journeyman";

page 4, line 19, by placing brackets around "or journeyman";

on page 5, line 5, by placing brackets around "or journeyman";

on page 5, line 10, by placing brackets around "or journeyman plumber";

on page 5, line 26, place brackets before "With";

page 6, line 4, close bracket after "*(c)*";

page 6, lines 12 and 13, place brackets around "or journeyman";

page 6, line 18, place brackets around "and journeyman";

page 6, lines 23 and 24, place brackets around "and journeyman";

page 7, beginning on line 2, by placing brackets around the following: "The fee for the renewal of a master plumber's license shall exceed the fee charged for a jourmeyman plumber's license."

Page 7, beginning on line 4, by deleting "*The fee for the renewal of a journeyman plumber's license shall exceed the fee charged for a septic tank installer's license.*"

page 7, line 8, by placing brackets around "or journeyman";

page 7, lines 13 and 14, by placing brackets around the following: "and for a journeyman plumber three dollars ($3.00)";

page 7, line 21, by placing brackets around "and six dollars ($6.00) for a journeyman plumber";

page 8, line 12, by placing brackets around the following: "or a licensed journeyman plumber";

page 8, lines 23 and 24, by placing brackets around "or journeyman plumbers";

page 9, line 2, by placing brackets around "either" and by placing brackets around "or journeyman";

page 9, line 6, by placing brackets around "or journeyman";

page 9, lines 14 and 15, by placing brackets around "or journeyman";

page 9, line 26, by placing brackets around "or licensed journeyman";

page 10, after line 4, by adding the following:

Section 10. KRS 318.020 is amended to read as follows:

(1) Nothing contained in this chapter shall be construed as prohibiting the employment of an apprentice to assist a journeyman plumber in his duties.

(2) This chapter shall not apply to anyone who is employed or acts as a maintenance man.

(3) This chapter shall not apply to persons employed by any water company, water district or sanitation district, in the laying, maintenance, and operation of its mains and other appurtenances in the conduct of its business.

(4) The provisions of this chapter relating to the licensure of plumbers shall apply to all persons engaged in the practice of plumbing *except journeyman plumbers.*

Section 11. KRS 318.030 is amended to read as follows:

No person shall engage in plumbing or engage in or work at the trade of plumbing *except under the supervision, direction and responsibility of a master plumber who is the holder of a valid and effective master plumber's license duly issued by the department in accordance with the provisions of this chapter.*[:]

[(1) Unless he is the holder of a valid and effective master plumber's license duly issued by the department in accordance with the provisions of this chapter; or

(2) Unless he is the holder of a valid and effective journeyman plumber's license duly issued by the department in accordance with the provisions of this chapter.]

Section 12. KRS 318.057 is amended to read as follows:

[(1)] Persons actively engaged in the practice of plumbing as a master plumber in this state for a period of not less than three (3) years prior to June 21, 1974 in a county or counties not heretofore subject to the provisions of KRS chapter 318 shall, upon furnishing adequate proof thereof to the department and upon payment of an application license fee of twenty-five dollars ($25.00), be entitled to a master plumber's license without examination. Application for such a license shall be filed with the department not later than ninety (90) days after June 21, 1974.

[(2) Persons actively engaged in the practice of plumbing as a journeyman plumber in this state for a period of not less than three (3) years prior to June 21, 1974 in a county or counties not heretofore subject to the provisions of KRS chapter 318 furnishing adequate proof thereof to the department and upon payment of an application license fee of ten dollars ($10.00), be entitled to a journeyman plumber's license without examination. Application for such a license shall be filed with the department not later than ninety (90) days after June 21, 1974.]

Section 13. KRS 318.090 is amended to read as follows:

(1) The department shall appoint and assign plumbing inspectors to each county subject to the provisions of this chapter.

(2) Each plumbing inspector shall have at least eight (8) years experience as a journeyman or master plumber. [At the time of his appointment he shall be licensed in accordance with the provisions of this chapter.]

Section 14. KRS 318.140 is amended to read as follows:

(1) Any local government may, by ordinance, enact the Kentucky state plumbing code, regulating the construction, installation, or alteration of plumbing within such local government, providing for the issuance of plumbing installation permits and fixing permit and inspection fees. Two (2) or more local governments may, by ordinance of each local government, enact the plumbing code as described in this section which shall be jointly enforced and administered by said local governments within their boundaries. Agreements for joint enforcement shall conform to the provisions of KRS Chapter 65. The department may authorize any such local government or combination of local governments to administer, carry out, and enforce the Kentucky state plumbing code and the rules and regulations of the department relating thereto and to issue permits and make inspections thereunder within such local government, in which event a permit issued under the provisions of the local government plumbing code ordinance shall be deemed a permit issued by the department; Provided, however, That inspectors of the department shall have concurrent jurisdiction with local government plumbing inspectors in the enforcement in such local governments of the Kentucky state plumbing code.

(2) Any local government enacting a plumbing code ordinance may appoint and fix the compensation of local government plumbing inspectors. No person shall be eligible for appointment as a local government plumbing inspector unless he has at least eight (8) years' experience as a master or journeyman plumber. [At the time of his appointment he shall be licensed in accordance with the provisions of this chapter.]

(3) Nothing contained in this chapter shall be construed as prohibiting a local government from collecting occupational license fees from persons, firms or corporations engaged in the plumbing business.

Section 15. KRS 318.120 is amended to read as follows:

No person or corporation who assumes responsible charge and direction of other persons in the installation of plumbing shall employ or engage any person not licensed under this chapter to perform and install plumbing. Provided, however, That this section shall not be deemed to prohibit the employment or use of *a journeyman plumber or* an apprentice as defined in this chapter.

Floor Amendment No. 2 to **SB 17**, by Representative B. Richardson:

Amend printed copy of **SB 17**, page 1, line 20, following the word "*condemnation*", insert the following, "*or who fails to begin design on highway projects pursuant to KRS Chapter 177*".

Floor Amendment No. 3 to **SB 236**, by Representative B. Noe:

Amend printed copy of **SB 236**, below the title, delete the page in its entirety;

page 2, above the enacting clause delete page 2 in its entirety;

page 2, lines 1 and 2 delete the lines in its entirety and insert the following language in lieu thereof:

Section 1. KRS 64.012 is amended to read as follows:
The county clerk shall receive for the following services the following fees:

Recording deed of trust or assignment for the benefit of creditors, provided the entire record thereof does not exceed three pages	$ *6.00* [5.00]
Exceeding three pages, for each page	1.50
Copy and certification of same when ordered	3.50
Each bond required to be taken or prepared by the clerk	2.00
Copy of any bond when ordered	1.50
Recording a bond, each bond	*7.00* [5.00]
Receiving the acknowledgment or proof of any deed, mortgage or agreement, power of attorney, or other written instrument required by law to be done and certifying same	1.25
Recording the conveyance of personal property, taking the acknowledgement, and recording the orders and certificates	*6.00*
Certified copy of conveyance of personal property	*5.00*
Recording easements	*6.00*
Taking the acknowledgment or proof of a deed of real estate, certifying and recording the same and recording his own certificate, provided the entire record thereof does not exceed three pages	*6.00* [5.00]
Exceeding three pages, for each page	1.50
Certified copy of deed	*5.00* [3.50]
Recording a mortgage of real estate, certificates, and all services connected with the same, provided the entire record thereof does not exceed three pages	*6.00* [5.00]
Exceeding three pages, for each page	1.50
Certified copy of real estate mortgage	*5.00* [3.50]
Recording deed of assignment of real estate mortgage	*6.00* [5.00]
Noting release of any lien, mortgage or redemption other than a deed of release	1.50
Receiving the acknowledgment, recording and certifying each deed of release of a mortgage or lien under KRS 382.360	*6.00* [5.00]
Each additional marginal notation relating to same instrument	1.50
Marginal notation only	*1.50*
Making a record for the establishment of a city, recording the plan or plat thereof, and all other services incident	10.00
Recording survey of a city, or any part thereof, or any addition to or extensions of the boundary of a city	10.00
Every order concerning the establishment, changing, closing or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed or discontinued, and by the applicant when it is not	1.00
Administering an oath and certificate thereof	1.00
Issuing license for which no other fee is fixed by law	*6.00* [1.50]
Marriage license, bond, certificate and recording	*6.50* [4.00]
Certified copy of marriage license	*3.50*
For filing and indexing an original or continuation financing statement, and noting the security interest on the required receipt for one motor vehicle	*7.00* [6.00]
For filing and indexing an assignment of a financing statement	*8.00* [6.00]
For filing and amending a financing statement	*8.00*
For filing and noting a statement of release of collateral under a financing statement	1.00
Recording real estate options, provided the entire record thereof does not exceed three pages	*6.00* [5.00]
Exceeding three pages, for each page	1.50
Recording power of attorney or revocation of power of attorney, provided the entire record thereof does not exceed three pages	*6.00* [5.00]
Exceeding three pages, for each page	1.50

Recording plats, maps and surveys, not exceeding 18 inches by 24 inches, per page	*11.00* [10.00]
Recording all leases which are recordable by law, provided the entire record thereof does not exceed three pages	*6.00* [5.00]
Exceeding three pages, for each page	1.50
Marginal notation to same instrument	1.50
Filing or recording of certification of intention to operate a business under an assumed name	*7.00* [5.00]
Filing or recording of mechanic's and artisan's liens under KRS Chapter 376	*6.00* [5.00]
Filing or recording of notice of lien issued by the Internal Revenue Service, *provided the entire record per lien does not exceed three (3) pages*	*6.00* [5.00]
Exceeding three (3) pages, for each page	*1.50*
Filing or recording of notice of lien discharges issued by the Internal Revenue Service, *provided the entire record per lien does not exceed three (3) pages*	*6.00* [5.00]
Each additional lien relating to the same instrument	*1.50*
Exceeding three (3) pages, for each page	*1.50*
Filing or recording of lis pendens notice concerning proceedings in bankruptcy and other lis pendens notices, provided the entire record thereof does not exceed three pages	*6.00* [5.00]
Exceeding three pages, for each page	1.50
Filing or recording United States liens, provided the entire record per lien does not exceed three pages	*6.00* [5.00]
Exceeding three pages, for each page	1.50
Each additional lien relating to the same instrument	*1.50*
Filing or recording release of a United States lien, provided the entire record per lien does not exceed three pages	*6.00* [5.00]
Exceeding three pages, for each page	1.50
Each additional lien relating to the same instrument	*1.50*
Filing or recording state tax or other state liens, *provided the entire record per lien does not exceed three (3) pages*	*6.00* [5.00]
Exceeding three (3) pages, for each page	*1.50*
Each additional lien relating to the same instrument	*1.50*
Filing release of a state tax or other state lien, *provided the entire record per lien does not exceed three (3) pages*	*6.00* [5.00]
Exceeding three (3) pages, for each page	*1.50*
Each additional lien relating to the same instrument	*1.50*
Filing notification and declaration and petition of candidates for office	5.00
Deposit of wills under KRS 394.110	5.00
Recording wills or other probate documents under KRS 394.300	*10.00* [5.00]
Recording renunciation of wills	*5.00*
Issuance of fish and game licenses or tags costing more than $1.00 each	.50
Registration of licenses for professional persons required to register with the county clerk	*6.00* [5.00]
Recording and issuing articles, statements, or reports of corporations pursuant to KRS Chapter 271A, including articles of incorporation amendment, restatement of incorporation, merger, or dissolution and statements of establishment of a series of shares, cancellation of a series of shares, reduction of capital, intent to dissolve, revocation of voluntary dissolution, provided the entire record thereof does not exceed three pages	*6.00* [5.00]
Exceeding three pages, for each page	1.50
Miscellaneous recordings for which no specific fee is set, provided the entire record thereof does not exceed three pages (except military discharges)	*6.00* [5.00]
Exceeding three pages, each additional page	1.50
Filing miscellaneous documents for which no specific fee is set, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, each additional page	1.50
Recording mergers of foreign corporations	*11.00*
Registering and filing a statement of trust	*6.00*
Filing a certificate of partnership, provided the entire record thereof does not exceed three (3) pages	*6.00*
Exceeding three (3) pages, for each page	*1.50*

Section 2. KRS 273.368 is amended to read as follows:

In respect of the following documents, the fees to be collected by the secretary of state for filing and issuing, when required by this chapter, and by the county clerk for recording, when required by this chapter, shall be:

(1) Articles of incorporation and a certificate of incorporation, by the secretary of state four dollars ($4.00), and by the clerk, *four dollars ($4) for the first three (3) pages and one dollar and fifty cents ($1.50) for each additional page* [three dollars ($3.00)];

(2) Articles of amendment and a certificate of amendment, by the secretary of state, four dollars ($4.00), and by the clerk, three dollars ($3.00);

(3) Restated articles of incorporation and restated certificate of incorporation, by the secretary of state, four dollars ($4.00), and by the clerk, three dollars ($3.00);

(4) Articles of merger or consolidation and a certificate of merger or consolidation, by the secretary of state, four dollars ($4.00), and by the clerk, three dollars ($3.00);

(5) Articles of dissolution and certificate of dissolution, by the secretary of state, three dollars ($3.00), and by the clerk, two dollars ($2.00);

(6) A statement of change of address of registered office or change of registered agent, or both, by the secretary of state, five dollars ($5.00);

(7) A statement by a foreign corporation designating a resident process agent, by the secretary of state, five dollars ($5.00);

(8) An annual report by a domestic corporation, by the secretary of state, two dollars ($2.00);

(9) An annual report by a foreign corporation, by the secretary of state, four dollars ($4.00); and

(10) Certified copy of the articles of incorporation and existing amendments, by the secretary of state, twenty-five dollars ($25.00) as an original filing fee, and a recording fee of ten dollars ($10.00); ten dollars ($10.00) for recording subsequent amendments.

(11) Any other statement or report of a foreign or domestic corporation, by the secretary of state, four dollars ($4.00), and by the clerk, two dollars ($2.00).

Page 3 - 78 delete in its entirety.

Floor Amendment No. 4 to **SB 315,** by Representative Thomason:

Amend printed copy of **SB 315,** page 1, line 10, after the word "strategies" by inserting the following: "for volatile organic compounds and carbon monoxide".

Floor Amendment No. 3 to **SB 17,** by Representative Thomason:

Amend printed copy of **SB 17,** page 1, after line 2, by inserting the following:

"*(1) For purposes of this section, development means using the property for the purpose for which it was condemned, or the purpose for which it was acquired under threat of condemnation.*"

and on page 1, line 4, by inserting after "condemnation" the following "*or threat thereof,*";

and on page 1, line 10, by inserting after "landowner" the following:

"*, if the current landowner's property is contiguous to a tract of land acquired for the purpose of constructing a road or highway,*";

and on page 1, line 12, by inserting after "erty." the following: "*In all other cases, the landowner from whom the property was taken by condemnation or who sold the property under threat of condemnation, or his successors in interest, his heirs or assigns, may repurchase the property at the price the condemnor paid to the landowner for the property.*";

and on page 1, line 12, by inserting after "The" the following:"*owner of the land at the time the property was taken by condemnation or was sold under threat of condemnation, his successors in interest, heirs or assigns, or the*";

and on page 1, line 21, by deleting "*the current land.*";

and on page 2, line 1, by deleting "*owner of*" and substituting in lieu thereof, "*those parties who may purchase or repurchase such property pursuant to*";

and on page 2, line 2, by deleting the words "*the current landowner refuses*" and substituting in lieu thereof "*such persons refuse*";

and on page 2, line 18, by deleting "*If*" and inserting in lieu thereof the following: "*If the current landowners' property is contiguous to a tract of land acquired for the purpose of constructing a road or highway and if*";

and on page 1, line 3, by inserting before "(1)", "*(2)*" and by bracketing "(1)";

and on page 1, line 19, by inserting "*(3)*" before "(2)" and by bracketing "(2)";

and on page 2, by changing "*(3)*" to "*(4)*".

Floor Amendment No. 1 to **SR 44,** by Representative Burnette:

Amend printed copy of **SR 44,** after line 15 the following:

Section 4. That this Body proposes to the Congress of the United States that procedures be instituted in the Congress to add a new Article to the Constitution of the United States, and that the Senate of the General Assembly of the Commonwealth of Kentucky requests the Congress to prepare and submit to the several states an amendment to the Constitution of the United States, requiring, in the absence of a national emergency, that the total of all Federal appropriations made by the Congress for any fiscal year may not exceed the total of all estimated Federal revenues for that fiscal year.

Section 5. That, alternatively, this Body makes application and requests that the Congress of the United States call a constitutional convention for the specific and exclusive purpose of proposing an amendment to the Federal Constitution requiring in the absence of a national emergency that the total of all Federal appropriations made by the Congress for any fiscal year may not exceed the total of all estimated Federal revenues for that fiscal year.

Section 6. That this Body also proposes that the legislatures of each of the several states comprising the United States apply to the Congress requesting the enactment of an appropriate amendment to the Federal Constitution; or requiring the Congress to call a constitutional convention for proposing such an amendment to the Federal Constitution.

Section 7. That this application by this Body constitutes a continuing application in accordance with Article 5 of the Constitution of the United States until at least two-thirds of the legislatures of the several states have made similar applications pursuant to Article 5; but if the United States Congress proposes an amendment to the United States Constitution identical in subject matter to that contained in this concurrent resolution then this petition for a constitutional convention shall no longer be of any force or effect.

Section 8. That this application and request be deemed null and void, rescinded and of no effect in the event that such convention not be limited to such specific and exclusive purpose.

Section 9. That copies of this Resolution be sent by the Secretary of State to the members of Congress from Kentucky.

Section 10. That the Secretary of State of this State is directed to send copies of this Joint Resolution to the Secretary of State and presiding officers of both Houses of the Legislature of each of the other States in the Union, the Clerk of the United States House of Representatives, Washington, D.C. and the Secretary of the United States Senate, Washington, D. C.

Floor Title Amendment to **SR 44,** by Representative Burnette:

Amend printed copy of **SR 44,** Title, to read as follows:

"A CONCURRENT RESOLUTION relating to revenue."

Floor Amendment No. 5 to **SB 72,** by Representative Burnette:

Amend printed copy of **SB 72,** page 3, line 6, after "program." insert the following:

"SECTION 14. A NEW SECTION OF KRS CHAPTER 161 IS CREATED TO READ AS FOLLOWS:

(1) All persons who now or hereafter are employed by or who now or hereafter are on the payroll of any school board, board of regents, or board of trustees of the state educational system are hereby required to take an oath before any person duly authorized to take acknowledgements of instruments for public record in the state in the following form:

'I ________________________, a citizen of the State of Kentucky and of the United States of America, and being employed by or an officer of ___________________________ and a recipient of public funds as such employee or officer, do hereby solemnly swear or affirm that I will support the constitution of the United States and the constitution of this commonwealth; and I further state, in order to establish my support for the constitution of the United States and the Commonwealth of Kentucky, that I do not personally believe in the overthrow of the government of the United States or of the Commonwealth of Kentucky by force or violence.'

(2) Said oath shall be filed with the records of the employing agency prior to the approval of any voucher for the payment of salary, expenses, or other compensation.

(3) If a person refuses to take the oath, or having taken the oath, thereafter teaches or expresses any belief in the overthrow of the government of the United States or of the Commonwealth of Kentucky by force or violence, he shall immediately be placed on leave of absence without pay pending the results of a hearing.

(4) If the evidence provided by a due process hearing indicates the person is guilty of the charge, the person shall be immediately discharged by the board of education and his name removed from the payroll, and thereafter such person shall not be permitted to be employed by a school district.

(5) If the evidence of the due process hearing shows the person not guilty of the charge, he shall be reinstated in his original position and shall receive all forfeited pay.

(6) Currently employed persons must take the oath at the first renewal date of the contract following the effective date of this Act if such oath has not been previously taken."

and on page 16, line 9, by changing "Section 14" to "Section 15".

Floor Amendment No. 1 to **SR 54,** by Representative Burnette:

Amend printed copy of **SR 54,** page 2, after line 11 the following:

"Section 3. That this Body proposes to the Congress of the United States that procedures be instituted in the Congress to add a new Article to the Constitution of the United States, and that the Senate of the General Assembly of the Commonwealth of Kentucky requests the Congress to prepare and submit to the several states an amendment to the Constitution of the United States, requiring, in the absence of a national emergency, that the total of all Federal appropriations made by the Congress for any fiscal year may not exceed the total of all estimated Federal revenues for that fiscal year.

Section 4. That, alternatively, this Body makes application and requests that the Congress of the United States call a constitutional convention for the specific and exclusive purpose of proposing an amendment to the Federal Constitution requiring in the absence of a national emergency that the total of all Federal appropriations made by the Congress for any fiscal year may not exceed the total of all estimated Federal revenues for that fiscal year.

Section 5. That this Body also proposes that the legislatures of each of the several states comprising the United States apply to the Congress requesting the enactment of an appropriate amendment to the Federal Constitution; or requiring the Congress to call a constitutional convention for proposing such an amendment to the Federal Constitution.

Section 6. That this application by this Body constitutes a continuing application in accordance with Article 5 of the Constitution of the United States until at least two-thirds of the legislatures of the several states have made similar applications pursuant to Article 5; but if the United States congress proposes an amendment to the United States Constitution identical in subject matter to that contained in this concurrent resolution then this petition for a constitutional convention shall no longer be of any force or effect.

Section 7. That this application and request be deemed null and void, rescinded and of no effect in the event that such convention not be limited to such specific and exclusive purpose.

Section 8. That copies of this Resolution be sent by the Secretary of State to the members of Congress from Kentucky.

Section 9. That the Secretary of State of this State is directed to send copies of this Joint Resolution to the Secretary of State and presiding officers of both Houses of the Legislature of each of the other States in the Union, the clerk of the United States House of Representatives, Washington, D. C. and the Secretary of the United States Senate, Washington, D. C."

Floor Amendment No. 3 to **SB 243,** by Representative Cawood:

Amend printed copy of **SB 243,** page 3, line 13, by inserting the following after line 13:

"SECTION 4. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context requires otherwise:

(1) "Beverage" means beer or other malt beverages and mineral waters, soda water and similar carbonated soft drinks in liquid form and intended for human consumption.

(2) "Beverage container" means the individual, separate, sealed glass, metal or plastic bottle, can, jar, or carton containing a beverage, excluding those sold to common carriers engaged in interstate commerce for passenger service.

(3) "Consumer" means every person who purchases a beverage in a beverage container for use or comsumption.

(4) "Dealer" means every person in this state who engages in the sale of beverages in beverage containers to a consumer, or means a redemption center certified under Section 9 of this Act.

(5) "Department" means the department for natural resources and environmental protection.

(6) "Distributor" means every person who engages in the sale of beverages in beverage containers to a dealer in this state including any manufacturer who engages in such sales.

(7) "Manufacturer" means every person bottling, canning, or otherwise filling beverage containers for sale to distributors or dealers.

(8) "Place of business of a dealer" means the location at which a dealer sells or offers for sale beverages in beverage containers to consumers.

(9) "Use or consumption" includes the exercise of any right or power over a beverage incident to the ownership thereof, other than the sale or the keeping or retention of a beverage for the purpose of sale.

SECTION 5. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Every beverage container sold or offered for sale in this state shall have a refund value of not less than ten (10) cents.

SECTION 6. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Except as provided in Section 7 of this Act.

(1) A dealer shall not refuse to accept from a consumer any empty beverage containers of the kind, size and brand sold by the dealer, or refuse to pay to the consumer the refund value of a beverage container as established by Section 5 of this Act.

(2) A distributor shall not refuse to accept from a dealer any empty beverage containers of the kind, size and brand sold by the distributor, or refuse to pay the dealer the refund value of a beverage container as established by Section 5 of this Act.

(3) In addition to the refund value of a beverage container, a dealer shall be paid a handling fee by the distributor of two cents for each container redeemed.

SECTION 7. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) A dealer may refuse to accept from a customer, and a distributor may refuse to accept from a dealer, any empty beverage container which does not state thereon a refund value as established by Section 5 of this Act, except for those containers provided for in Section 8 (2) of this Act.

(2) A dealer may refuse to accept and to pay the refund value of empty beverage containers if the place of business of the dealer and the kind and brand of empty beverage containers are included in an order of the department approving a redemption center under Section 9 of this Act.

SECTION 8. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) Every beverage container sold or offered for sale in this state by a dealer shall clearly indicate by embossing or by a stamp, or by a label, or other method securely affixed to the beverage container, the refund value of the container.

(2) Subsection (1) of this section shall not apply to glass beverage containers designed for beverages having the brand name permanently marked thereon which, on the effective date of this Act, had a refund value of not less than five (5) cents.

(3) No person shall sell or offer for sale at retail in this state any metal beverage container so designed and constructed that a part of the container is detachable in opening the container without the aid of a can opener.

SECTION 2. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) To facilitate the return of empty beverage containers and to serve dealers of beverages, any person may establish a redemption center, subject to the approval of the department at which consumers may return empty beverage containers and receive payment of the refund value of such beverage containers.

(2) Application for approval of a redemption center shall be filed with the department. The application shall state the name and address of the person responsible for the establishment and operation of the redemption center, the kind and brand names of the beverage containers which will be accepted at the redemption center and the names and addresses of the dealers to be served by the redemption center. The application shall include such additional information as the department may require.

(3) The department shall approve a redemption center if it finds the redemption center will provide a convenient service to consumers for the return to empty beverage containers. The order of the department approving a redemption center shall state the dealers to be served by the redemption center and the kind and brand names of empty beverage containers which the redemption center must accept. The order may contain such other provisions to insure the redemption center will provide a convenient service to the public as the department may determine.

(4) The department may review at any time approval of a redemption center. After written notice to the person responsible for the establishment and operation of the redemption center, and to the dealers served by the redemption center, the department may, after hearing, withdraw approval of a redemption center if the department finds there has not been compliance with its order approving the redemption center, or if the redemption center no longer provides a convenient service to the public.

SECTION 10. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The department shall issue rules and regulations to enforce this Act.

SECTION 11. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Any person who violates Section 5, 6, or 8 of this Act shall be fined not more than five hundred dollars ($500) for each offense, each day of violation constituting a separate offense.

Section 12. This Act shall become effective July 1, 1981."

Floor Amendment No. 1 to **SB 323,** by Representative DeFalaise:

Amend printed copy of **SB 323,** page 1, line 11-12 after the word "of" delete the words "*ten thousand dollars ($10,000)*" and remove the brackets around "thirty-six hundred dollars ($3600)";

page 1, line 12 after the words "per annum" insert the following language: "*and each fiscal year thereafter shall be set at a rate which includes the adjustment for the increase or decrease in the consumer price index, but in no event shall the railroad commission chairman receive an annual increase exceeding six percent (6%) of salary,*;

page 1, line 13-14 after the word "of" delete the words "*nine thousand dollars ($9000)*" and remove the brackets around "three thousand dollars ($3,000)";

page 1, line 15 after the words per annum insert the following language "*and each fiscal year thereafter shall be set at a rate which includes the adjustment for the increase or decrease in the consumer price index, but in no event shall each of the other railroad commissioners receive an annual increase exceeding six percent (6%) of salary,*";

Floor Title Amendment 2 to **SB 243,** by Representative Cawood:

Amend printed copy of **SB 243,** page 1, Title, by amending the title to read:

"AN ACT relating to litter control."

Floor Title Amendment to **SB 368,** by Representative Burnette:

Amend printed copy of **SB 368,** Title, to delete "prison made goods" and to insert in lieu thereof "prisons and prisoners".

Floor Amendment No. 2 to **SB 368,** by Representative Burnette:

Amend printed copy of **SB 368,** page 5, between lines 10 and 11, to add the following:

"Section 4. KRS 439.340 is amended to read as follows:

(1) The board may release on parole such persons confined in any adult state penal or correctional institution of Kentucky as are eligible for parole. All paroles shall issue upon order of the board duly adopted. As soon as practicable after his admission and at such intervals thereafter as it may determine, the bureau of corrections shall obtain all pertinent information regarding each prisoner, except those not eligible for parole. Such information shall include his criminal record, his conduct, employment and attitude in prison, and the reports of such physical and mental examinations as have been made. The bureau of corrections shall furnish the circumstances of his offense and his previous social history to the institution and the board. The bureau of corrections shall prepare a report on such information as it obtains. It shall be the duty of the bureau of corrections to supplement this report with such material as the board may request and submit such report to the board.

(2) Before granting the parole of any prisoner, the board shall consider the pertinent information regarding the prisoner and shall have him appear before it, or one or more members for interview and hearing, except that the board in its discretion may request the parole board of another state confining prisoners pursuant to KRS 196.610 to interview eligible prisoners and make a parole recommendation to the board. A parole shall be ordered only for the best interest of society and not as an award of clemency, and it shall not be considered a reduction of sentence or pardon. A prisoner shall be placed on parole only when arrangements have been made for his proper employment or for his maintenance and care, and when the board believes he is able and willing to fulfill the obligations of a law abiding citizen.

(3) *The board shall issue administrative regulations setting a uniform percentage of sentence to be served prior to initial parole review. This percentage shall be uniformly applied to all sentences and shall be no less than twenty percent (20%) nor greater than fifty percent (50%), subject to the following exceptions: no inmate shall serve less than five (5) months nor more than ten (10) years prior to initial parole review. The board shall consider the fiscal impact of any proposed regulations, and shall file a fiscal statement with the legislative research commission. Further,* the board shall adopt rules or regulations with respect to the eligibility of prisoners for parole, the conduct of parole and parole revocation hearings, or conditions to be imposed upon parolees. Regulations governing the eligibility of prisoners for parole shall be in accordance with professionally accepted ideas of correction and reform and may utilize in part objective, performance-based criteria; however, nothing herein contained shall preclude the board from utilizing its present regulations in conjunction with such other factors involved that would relate to the inmate's needs and the safety of the public.

(4) Whenever an order for parole is issued it shall recite the conditions thereof.

(5) Nothing herein shall prevent the parole board from granting early parole review pursuant to criteria and guidelines promulgated in its administrative regulations.

Section 5. KRS 439.555 is amended to read as follows:

(1) Any prisoner having served the term for which he has been sentenced for a crime he committed after June 16, 1972, less good time deduction, if any has been accumulated, shall be released, under conditional release and guidance of the bureau of corrections for the period of accumulated good time and subject to the provisions of law and bureau of corrections regulations relating to supervision of the released prisoners. *However, no person shall be released under conditional release unless he has served at least one-fourth (¼) of the sentence imposed on him by the judgment of the court in which he was convicted and sentenced. Any person confined in a state penal or correctional institution under a sentence of life imprisonment shall be required to serve a minimum of ten (10) years before he shall be recommended for parole.*

(2) A written statement, approved by the commissioner of corrections or a person designated by him, by a parole or conditional release supervision officer, and filed with the board setting forth that the conditional releasee, in the judgment of such officer has violated the condition of his release, shall be sufficient cause for the board, at its discretion, or on its own motion, to issue a warrant for the arrest of the mandatory releasee, or for his return to the correctional institution from which he was released.

(3) The period of time spent in mandatory supervision status prior to the date of issuance of a warrant for violating the regulations governing mandatory release supervision, or prior to the date of arrest on a new felony offense for which the releasee subsequently is convicted and committed to a correctional institution, shall count as time served on the sentence on which the prisoner was mandatorily released under supervision.

(4) A prisoner for whose return a warrant has been issued by the board shall be deemed a fugitive from justice or to have fled from justice and he shall be subject to return from any other state by extradition if such proceedings are necessary.

and on page 5, line 11, to delete "Section 4." and to insert in lieu thereof "Section 6."

Floor Title Amendment to **SR 54,** by Representative Burnette:

Amend printed copy of **SR 54,** Title, to add before the period at the end of the title the following: "and requesting and petitioning the Congress of the United States for the purpose of requesting appropriate action by the Congress, either acting by consent of two-thirds of both Houses or, upon the application of the legislatures of two-thirds of the several states, calling a constitutional convention to propose an amendment to the Federal Constitution to require, with certain exceptions, that the total of all Federal appropriations may not exceed the total of all estimated Federal revenues in any fiscal year.

Floor Amendment No. 7 to **SB 341,** by Representative White:

Amend printed copy of **SB 341,** page 17, line 8, by adding the following after line 8:

"Section 15. KRS 158.030 is amended to read as follows:

[(1)] A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by *October* [September] 1, 1979, and any year thereafter, shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by *October* [September] 1, 1979, and any year thereafter, may enter a public school kindergarten. Any child who has successfully completed kindergarten during the school year *1979-80* [1978-79] shall be eligible for enrollment in the first grade for the school year *1980-81* [1979-80] notwithstanding any other age requirements of this section.

(2) [The parent or legal guardian of any child who becomes five (5) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter kindergarten at the beginning of the school year in which the child becomes five (5).]

[(3)] The parent or legal guardian of any child who becomes six (6) years of age *after the date established by subsection 1 of this section but* [on or] before December 31 may *request that* [petition] the state board for elementary and secondary education to allow the child to enter first grade at the beginning of the school year in which the child becomes six (6).

(3)[(4)] The state board for elementary and secondary education shall establish procedures for consideration of such *requests* [petitions including readiness testing and such other measures as may be deemed necessary].

Floor Amendment No. 5 to **SB 315,** by Representative Haering:

Amend printed copy of **SB 315,** page 3, following line 2, by inserting the following:

Section 7. KRS 224.021 is amended to read as follows:

(1) There are hereby transferred to and vested in the Secretary and Department all functions, powers and duties, funds, personnel, equipment and supplies relating to emission standards for carburetion systems under provisions of KRS 234.321, which said provisions of law have been conferred upon the Department of Health and upon the Commissioner and other officers and offices of the Department of Health.

(2) Neither the state nor any unit of local government shall impose a tax for the purpose of supporting pollution control programs relating to carburetion system emmissions upon any person, or the property of any person, who lives within one (1) mile of a two (2) lane paved road or section thereof, which is sixteen (16) or fewer feet in width and which has a traffic count of twenty thousand (20,000) or more vehicles per day.

Section 8. KRS 234.321 is amended to read as follows:

(1) The tax imposed by KRS 234.320 shall not be collected when the liquefied petroleum gas sold by the dealer is used to propel motor vehicles on the public highways, either within or without this state, when the motor vehicles using the liquefied petroleum gas are equipped with carburetion systems approved by the department for natural resources and environmental protection.

(2) The department for natural resources and environmental protection shall establish emission standards for carburetion systems.

(3) Neither the state nor any unit of local government shall impose a tax for the purpose of supporting pollution control programs relating to carburetion system emissions upon any person, or the property of any person, who lives within one (1) mile of a two (2) lane paved road, or section thereof, which is sixteen (16) or fewer feet in width and which has a traffic count of twenty thousand (20,000) or more vehicles per day.

Introduction of Resolutions

HR 139, by Representatives Bennett and Holbrook: A RESOLUTION relating to a study of alternative taxes to replace the property tax as a means of funding local governments and school districts.

HR 140, by Representatives Yates, Wright, and Bronger: A RESOLUTION honoring the Butler High School Bears Football Team for winning the AAAA High School Football Championship in its 1979 season.

HR 141, by Representative Boswell: A RESOLUTION honoring the Union County Braves on their victory over the Franklin County Flyers in the State Basketball Tournament.

Report of Committees

The Committee on Elections and Constitutional Amendments reported **SB 225,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 225, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

The purpose of this Act is to authorize the use of optional electronic or electromechanical voting systems in which the voter records his vote by means of marking a device or punching or marking a ballot on one or more ballot cards which are designed so that votes may be counted by data processing machines at one or more counting places, in addition to or in lieu of the voting system in current use.

SECTION 2. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Electronic or electromechanical voting system" means a system of casting votes by use of marking devices and tabulating ballots employing automatic tabulating equipment or data processing equipment.

(2) "Automatic tabulating equipment" means apparatus necessary to automatically examine and count votes as designated on ballots and data processing machines which can be used for counting ballots and tabulating results.

(3) "Voting device" means either an apparatus in which paper ballots or ballot cards are used in connection with an implement by which a voter registers his votes with ink or other substance or by punching, or an apparatus by which such votes are registered electronically, so that in either case the votes so registered may be computed and tabulated by means of automatic tabulating equipment.

(4) "Ballot card" means a tabulating card on which votes may be recorded by a voter by use of a voting punch device or by marking with a pen or special marking device.

(5) "Ballot label" means the cards, papers, booklet, pages or other material on which appear the names of candidates and the questions to be voted on by means of ballot cards.

(6) "Ballot" means the ballot cards, ballot labels, or paper ballots.

(7) "Voting punch device" means an apparatus in which ballots or ballot cards are inserted for the piercing of ballots by the voter. The hole may be in the form of a round dot, rectangle, square, or any other shape that will clearly indicate the intent of the voter.

(8) "Vote marking device" means any approved device for marking a paper ballot with ink or other substance which will enable the ballot to be tabulated by means of automatic tabulating equipment.

(9) "Secrecy envelopes" means the envelope handed to the voter with his ballot into which the voter shall place his voted ballot cards.

(10) "Precinct ballot counter" means an automatic tabulating device used at the precinct to tabulate and process ballots.

SECTION 3. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

(1) The fiscal court of any county containing a city of the first or second class or any urban county government, may acquire by purchase or lease or lease-purchase agreement or abandon any voting system covered by this Act, provided such equipment has been approved by the state board of elections. The fiscal court shall notify the state board of elections that a new voting system is being installed in the county.

(2) The county board of elections of any county may petition the state board of elections to allow a new voting system in the county if an emergency exists. The petition must state the reasons why the present equipment is inadequate. Within sixty (60) days of the receipt of the petition the state board of elections shall notify the county board of elections whether the permission to obtain a new voting system is approved

or disapproved. The letter of approval must be presented to the fiscal court for its approval before any new voting system is acquired.

SECTION 4. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

(1) Any person or corporation owning, manufacturing or selling any electronic voting system, may request the state board of elections to examine such system. Any ten (10) or more persons, being qualified registered voters of this state, may, at any time, request the state board of elections to reexamine any electronic voting system. Before requesting such examination or reexamination, any such person, persons, or corporation shall pay to the state treasurer an examination fee of five hundred dollars ($500). The state board of elections may, at any time, reexamine any system already approved. The state board of elections shall approve or disapprove any voting system within thirty (30) days after the date of its initial submission.

(2) Upon receipt of a request for examination or reexamination of an electronic voting system the state board of elections shall require that such system be examined or reexamined by three (3) examiners. The state board of elections shall appoint one (1) examiner who is an expert in patent law and the other two (2) examiners shall be experts in computer science or automatic tabulating equipment. The three (3) examiners shall submit a written report on each system examined or reexamined to the state board of elections. The members of the state board of elections shall also examine or reexamine the system. If the report states that the system can be safely used by the voters and the state board of elections finds that the system meets all of the requirements of this Act the system shall be approved. The report and a letter of approval shall be filed in the office of the state board of elections.

(3) Any electronic voting system not approved by the state board of elections shall not be used at any election.

(4) When an electronic voting system has been approved any improvement or changes in the system shall render necessary the reexamination or reapproval of such system.

(5) Neither the members of the state board of elections, nor any examiner appointed by the state board of elections, nor any member of a county board of elections shall have any pecuniary interest in any electronic voting system.

(6) Each examiner appointed by the state board of elections shall receive fair compensation to be established by the state board of elections.

SECTION 5. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

No electronic voting system shall, upon any examination or reexamination, be approved by the state board of elections unless it shall be established that such system, at the time of examination or reexamination:

(1) Provides for voting in absolute secrecy;

(2) Permits each voter to vote at any election for all candidates and questions for which he is lawfully entitled to vote, and no others;

(3) Permits each voter, at the general election to vote a straight political party ticket by one mark or act;

(4) Provides a method for write-in voting;

(5) Provides for a nonpartisan ballot;

(6) If it is of a type that registers the vote electronically, the voting system shall preclude each voter from voting for more persons for any office than he is entitled to vote for or upon any question more than once;

(7) Permits each voter at a primary election to vote only for the candidates seeking nomination by a political party in which such voter is registered, and for any candidate for nonpartisan nomination, and for any question upon which he is entitled to vote;

(8) If it is of a type that registers the vote electronically, the voting systems shall permit each voter to change his vote for any candidate or upon any question appearing on the official ballot up to the time that he takes the final step to register his vote and to have his vote computed. If it is of a type that uses paper ballots or ballot cards to register the vote and automatic tabulating equipment to compute such votes, the system shall provide that a voter who spoils his ballot may obtain another ballot;

(9) Is suitably designed for the purpose used, is constructed of a durable material, and is safely transportable;

(10) Is so constructed that a voter may readily learn the method of operating it;

(11) If the voting system is of a type which provides for the computation and tabulation of votes at the precinct level, the automatic tabulating equipment shall include the following mechanisms or capabilities:

(a) A public counter, the register of which is visible from the outside of the automatic tabulating equipment component into which the ballots are entered, which shall show during any period of operation the total number of ballots entered for computation and tabulation;

(b) A lock, or locks, by the use of which all operation of the tabulation element of the automatic tabulating equipment is absolutely prevented immediately after the polls are closed or where the tabulation of votes is completed;

(c) It shall be so constructed and controlled that, during the progress of voting, it shall preclude every person from seeing or knowing the number of votes registered for any candidate or question; and it shall preclude every person from tampering with the tabulating element;

(d) If the number of choices recorded for any office or on any question exceeds the number for which the voter is entitled to vote, it shall reject all choices recorded on the ballot for that office or question;

(e) It shall be equipped with an element which generates a printed record at the beginning of its operation which verifies that the tabulating elements for each candidate position and each question and the public counter are all set to zero and with an element which generates a printed record at the finish of its operation of the total number of voters whose ballots have been tabulated, the total number of votes cast for each candidate whose name appears on the ballot, and the total number of votes cast for, or against, any question appearing on the ballot;

(f) It shall be so designed that only those ballots which have write-in choices shall be subject to handling after the voter has cast his ballot; all such ballots shall be handled only at the close of the polls and only by the election officials at the precinct who shall visually verify and tabulate the write-in votes cast;

(12) If the voting system is of a type which provides for the computation and tabulation of all votes at a central counting center, the central automatic tabulating equipment shall include the following mechanisms or capabilities:

(a) It shall be constructed so that every person is precluded from tampering with the tabulating element during course of its operation;

(b) If the number of choices for any office or on any question exceeds the number for which the voter is entitled to vote, it shall reject all choices recorded on the ballot for that office of question;

(c) It shall have a means by which to verify that the tabulating elements for each candidate position and for each question are all set to zero and shall be able to generate a printed record of each precinct showing the total number of voters whose ballots have been tabulated, the total number of votes cast for each candidate whose name appears on the ballot, and the total number of votes cast for, or against any question. It shall also be capable of generating cumulative election totals.

SECTION 6. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

The state board of elections shall prescribe rules and regulations which shall include but not be limited to the following:

(1) Achieve and maintain the maximum degree of correctness, impartiality, and efficiency of the procedures of voting;

(2) Count, tabulate, and record votes;

(3) Establish a method for placing items on the electronic voting device;

(4) Design the ballot cards, including a numerical system to insure an accurate record of all voting activities;

(5) Instruct voters in the use of the voting device;

(6) Provide for checking the accuracy of the equipment; and

(7) Provide necessary supplies, including those necessary for a write-in vote and secrecy envelopes for punch cards or data processing cards to insure voter privacy.

SECTION 7. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

(1) A voter who spoils or defaces a ballot card or marks it erroneously shall return the card to the election officials. The election officials shall deliver to the voter another ballot card, but no voter may receive more than three (3) ballot cards including the one originally delivered to the voter. Upon return of a defective ballot card, an election official shall cancel it by writing in ink on the back the word "spoiled." The cancelled ballot card shall be placed with spoiled ballots to be returned with the election returns.

(2) After marking the ballot card, the voter shall place it inside the secrecy envelope and return it to an election official, who shall deposit the secrecy envelope with the ballot inside it in the ballot box. When precinct ballot counters are used the voter shall insert his ballot contained in the secrecy envelope provided and deposit the emptied ballot container envelope with the election official presiding over the ballot counter.

SECTION 8. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

(1) In any county in which the fiscal court has adopted voting by means of an electronic voting system, the county board of elections may elect to also conduct absentee voting by the use of such a system.

(2) When a ballot card is used for voting by mail it shall be accompanied by a stylus, voter instructions, and a specimen ballot showing the proper positions to vote on the ballot card for each candidate or question. The card shall be mounted on material suitable to receive the punched out chip.

SECTION 9. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

On any day not more than ten (10) days prior to the election day, the county clerk shall have the automatic tabulating equipment tested in the manner prescribed by the state board of elections.

SECTION 10. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

The provisions of all laws relating to elections not inconsistent with this Act apply to elections in all counties in which electronic or electromechanical tabulation of ballots are used.

SECTION 11. A NEW SECTION OF KRS CHAPTER 117 IS CREATED TO READ AS FOLLOWS:

Beginning January 1, 1982, the state board of elections shall submit a biennial report to the legislature concerning the status of various voting equipment and voting systems that are in use or are approved for use in this state. This report shall also contain any recommendations by the secretary of state as to election law modifications relating to the acquisition and use of voting equipment and voting systems.

The Committee Amendment No. 1 to **SB 225** is as follows:

Amend printed copy of **SB 225**, page 3, line 12, by deleting the following: "(1)";

and on page 3, line 13, by deleting "or second" and "or any urban county";

and on line 14 by deleting "government";

and on line 17 by inserting after "elections." the following:

"The executive committees of the two political parties receiving the largest number of votes in the most recent presidential election shall designate the precincts in which such system is to be used sixty (60) days prior to any election; lever voting machines shall be used in the remaining precincts.";

and by deleting lines 20-26;

and on page 4, by deleting lines 1-4;

and on page 11, line 19, by inserting before "," the following:

"in a maximum of one precinct in each legislative district";

and on page 12, line 12, by deleting "counties" and by inserting in lieu thereof "precincts";

and on page 12 following line 23, by adding the following:

"Section 12. This Act shall expire on January 1, 1984."

Motions, Petitions, and Communications (continued)

Representative Stumbo moved that the vote on **SB 125** be reconsidered and that it be placed in Orders of the Day.

Representative Lundergan moved that the House adjourn. Rejected.

Speaker Kenton presiding.

Representative Brinkley moved that the House recess for fifteen minutes for a meeting of the Committee on Rules.

Representative Lundergan moved the adoption of the previous question on reconsideration of **SB 125.**

On the roll call the vote was yeas 15-Barrows, Boswell, Brinkley, Caldwell, Clapp, Farrow, Foster, Fryman, Johnson, McNutt, May, Robinson, Stone, Turner, Wright. Nays 47-Adams, Bendl, Bennett, Blandford, Blythe, Bronger, Brown, Bruce, Burch, Cawood, Clarke, Craddock, Crupper, DeFalaise, Donnermeyer, Dunn, Ellington, Guenthner, Hancock, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, Moberly, Noe, O'Brien, Overstreet, Petty, Richards, B. Richardson, Riner, Romines, Schmidt, Smith, Stumbo, Thomason, Van Horn, Wilborn, Williams, Yates.

The motion that the House recess was rejected.

On the roll call the vote was, yeas 35-Bendl, Bennett, Blythe, Bronger, Burch, DeFalaise, Donnermeyer, Dunn, Gray, Guenthner, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Lewis, Little, Lundergan, Mann, McBee, Moberly, Noe, O'Brien, Petty, Priddy, Romines, Schmidt, Smith, Stumbo, Thomas, Williams, Worthington, Yates. Nays 24-Barrows, Boswell, Brinkley, Burnette, Caldwell, Cawood, Craddock, Ellington, Farrow, Foster, Fryman, Johnson, Kenton, LeMaster, May, McNutt, Riner, Robinson, Stone, Thomason, Turner, Van Horn, Wilborn, Wright.

The motion that the previous question be adopted was rejected.

Representative Mann moved that the rules be suspended for a motion—the motion being that the motion hour not be held to thirty minutes.

On the roll call the vote was yeas 53-Adams, Bendl, Bennett, Blandford, Blythe, Bronger, Burch, Clapp, Clark, Clarke, Craddock, Crupper, DeFalaise, Donnermeyer, Dunn, Farrow, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, LeMaster, List, Little, Lundergan, Mann, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Richards, Romines, Schmidt, Smith, Stumbo, Thomas, Thomason, Van Horn, Wilborn, Williams, Worthington, Yates. Nays 16-Barrows, Boswell, Brinkley, Burnette, Caldwell, Cawood, Ellington, Foster, Fryman, Johnson, McNutt, Riner, Robinson, Stone, Turner, Wright.

The motion that the rules be suspended was adopted.

Representative Mann moved that the motion hour be extended until the vote on the reconsideration of **SB 125** is taken.

On the roll call the vote was yeas 38-Bendl, Bennett, Blythe, Bronger, Burch, Clarke, DeFalaise, Deskins, Donnermeyer, Dunn, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, LeMaster, Little, Lundergan, Mann, McBee, Moberly, Nett, Noe, O'Brien, Petty, Priddy, Romines, Schmidt, Smith, Stumbo, Thomas, Thomason, Van Horn, Williams, Worthington, Yates. Nays 20-Boswell, Brinkley, Burnette, Caldwell, Craddock, Ellington, Foster, Fryman, Johnson, May, McNutt, Overstreet, Richards, Richardson, B., Riner, Robinson, Stone, Turner, Wilborn, Wright.

The motion that the motion hour be extended until the vote on the reconsideration of **SB 125** is taken was adopted.

Representative Wilborn moved that the debate be limited to six minutes — three minutes for each side.

On the roll call the vote was yeas 46-Adams, Bendl, Bennett, Blandford, Blythe, Bronger, Burch, Cawood, Clarke, Craddock, Crupper, DeFalaise, Deskins, Donnermeyer, Foster, Freibert, Gray, Guenthner, Hancock, Heleringer, Hines, Holbrook, Isler, List, Lundergan, Mann, May, McBee, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Richards, Richardson, B., Romines, Schmidt, Smith, Stumbo, Thomas, Thomason, Van Horn, Wilborn, Williams, Yates. Nays 15-Barrows, Boswell, Brinkley, Burnette, Caldwell, Ellington, Farrow, Fryman, Johnson, LeMaster, McNutt, Riner, Robinson, Stone, Turner.

The motion that the debate be limited to six minutes — three minutes for each side was adopted.

Speaker Pro Tempore Hancock presiding.

The Chair ruled each member could explain his or her vote for three minutes during the roll call.

On the roll call the vote was yeas 38-Adams, Bendl, Bennett, Blythe, Bronger, Burch, Cawood, DeFalaise, Deskins, Donnermeyer, Dunn, Guenthner, Hancock, Heleringer, Holbrook, Holloway, Isler, LeMaster, List, Lundergan, Mann, McBee, Moberly, Nett, Noe, O'Brien, Petty, Priddy, Romines, Schmidt, Smith, Stumbo, Thomas, Thomason, Van Horn, Wilborn, Worthington, Yates. Nays 23-Barrows, Boswell, Brinkley, Burnette, Caldwell, Craddock, Ellington, Farrow, Foster, Fryman, Haering, Johnson, Little, May, McNutt, Overstreet, Richardson, B., Riner, Robinson, STone, Turner, Weinberg, Wright.

The motion that the vote on **SB 125** be reconsidered and that it be placed in Orders of the Day was adopted.

Representative B. Richardson moved that the rules be suspended for Report of Committees. Agreed.

Report of Committees

The Committee on Rules reported **SB 17, SB 296, SB 235, SB 297, SJR 48,** and **SJR 33** have been posted for passage in Orders of the Day, March 28, 1980.

The Committee on Rules reported **HB 557** has been recommitted to the Committee on Elections and Constitutional Amendments.

The Committee on Rules reported **HR 102** has been recommitted to the Committee on Business Organizations and Professions.

Adjournment

Representative B. Richardson moved that the House adjourn until 10:00 a.m., Saturday, March 29, 1980.

The motion to adjourn was adopted by voice vote.

SATURDAY, MARCH 29, 1980

FIFTY-FIFTH LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Reverend Dennis Jones, First Presbyterian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All present except Representatives Allen, DeFalaise and Pearman.

Representative Isler moved that absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 28, 1980, be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 142, by Representatives Hancock and Blythe: A RESOLUTION adjourning the House of Representatives of the General Assembly of the Commonwealth of Kentucky on Saturday, March 29, 1980, in honor and memory of Paul P. Sullivan.

Calendar

SB 225, and **SB 342** taken from the Calendar and ordered read at length for the second time. Representative B. Richardson moved that they be read by title only. Agreed by a majority of members elected.

Senate Message

Announcing passage of **HB 587, HB 970, HB 972, HB 968** with Senate Amendment, and **HB 109** with Senate Amendment.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 296, HB 336, HB 340, HB 415, HB 417, HB 433, HB 518, HB 645, HB 656, HB 717, HB 719, HB 730, HB 732, HB 738, HB 791, HB 835, HB 852, HB 901, HB 909, HB 967, HB 973, HCR 42, SB 11, SB 22, SB 33, SB 56, SB 187, SB 206, SB 215, SB 227, SB 229, SB 260, SB 270, SB 284, SB 293, SB 300, SB 302,** and **SB 340** had been examined and found correctly enrolled. Said bills and resolution read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 296, HB 336, HB 340, HB 415, HB 417, HB 433, HB 518, HB 645, HB 656, HB 717, HB 719, HB 730, HB 732, HB 738, HB 791, HB 835, HB 852, HB 901, HB 909, HB 967, HB 973, and **HCR 42** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Recess

Representative B. Richardson moved that the House recess for fifteen minutes.

On the roll call the vote was yeas 37-Adams, Arnold, Bendl, Bennett, Boswell, Brown, Burch, Caldwell, Clapp, Craddock, Curd, Cyrus, Davenport, Donnermeyer, Foster, Freibert, Hancock, Head, Holloway, Isler, Kenton, List, Little, Lundergan, Mann, McBee, O'Brien, Priddy, Rapier, Richards, B. Richardson, Sale, Stone, Thomason, Tobin, White, Wilborn. Nays 9-Clark, Clarke, Dunn, Heleringer, Holbrook, LeMaster, Lewis, Robinson, Van Horn.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative B. Richardson moved that the rules be suspended to limit explanation of vote to one minute.

On the roll call the vote was yeas 69-Adams, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, DeMarcus, Donnermeyer, Farrow, Foster, Freibert, Fryman, Gray, Hancock, Heleringer, Hines, Holloway, Isler, Jones, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, Maynard, McBee, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 8-Barrows, Blythe, Caldwell, Haering, Johnson, McKinney, Riner, Robinson.

The motion that the rules be suspended to limit the time for explanation of vote to one minute was adopted.

Representative Mann moved that the vote on **SB 258** be reconsidered.

On the roll call the vote was yeas 56-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Brinkley, Brown, Bruce, Burch, Cawood, Clark, Clarke, Craddock, Cyrus, Davenport, Donnermeyer, Dunn, Farrow, Foster, Freibert, Hancock, Hines, Holbrook, Isler, Johnson, Jones, Kenton, LeMaster, List, Little, Mann, May, Maynard, McNutt, Moberly, Nett, Noe, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Sale, Stone, Thomas, Thomason, Tobin, Van Horn, Wilborn, Worthington. Nays 16-Bronger, Burnette, Clapp, Crupper, Curd, Dawahare, Ellington, Fryman, Haering, Heleringer, Layman, Lewis, Patrick, Smith, Turner, White.

The motion that the vote on **SB 258** be reconsidered was adopted.

Representative Clarke moved that **SB 258,** as previously amended by Committee Amendment No. 1, be passed.

On the roll call the vote was yeas 58-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Brinkley, Brown, Bruce, Burch, Cawood, Clark, Clarke, Craddock, Davenport, Donnermeyer, Dunn, Farrow, Foster, Freibert, Hancock, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, LeMaster, List, Little, Mann, May, Maynard, McBee, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Stone, Thomason, Tobin, Wilborn, Williams, Yates. Nays 24-Boswell, Bronger, Burnette, Caldwell, Clapp, Crupper, Curd, Cyrus, Dawahare, Ellington, Fryman, Gray, Haering, Heleringer, Layman, Lewis, McNutt, Patrick, Smith, Turner, Van Horn, White, Worthington, Wright.

SB 258, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 258,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Consent Orders of the Day

HR 115 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **HR 115** be passed.

On the roll call the vote was yeas 80-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Bruce, Burch, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Stone, Thomas, Thomason, Turner, Van Horn, White, Wilborn, Williams, Wright, Yates. Nays 0.

HR 115 was passed and the title agreed to.

SB 72 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 72** be passed.

On the roll call the vote was yeas 80-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 72 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 72** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 136 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 136** be passed.

On the roll call the vote was yeas 59-Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Foster, Freibert, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, Robinson, Romines, Sale, Smith, Stone, Thomas, Tobin, Wilborn, Worthington. Nays 26-Adams, Arnold, Bendl, Bennett, Bronger, Crupper, Curd, Deskins, Dunn, Ellington, Farrow, Fryman, Gray, Haering, Hancock, Heleringer, Lewis, Patrick, Plummer, B. Richardson, P. Richardson, Turner, Van Horn, Williams, Wright, Yates.

SB 136 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 136** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 148, with Committee Amendment attached thereto, taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Amendment to **SB 148.** Agreed.

Representative B. Richardson moved that **SB 148,** as amended, be passed.

On the roll call the vote was yeas 76-Adams, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Gray, Guenthner, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Van Horn, White, Wilborn, Worthington, Wright, Yates. Nays 11-Bruce, Burnette, Craddock, Ellington, Freibert, Fryman, Haering, Head, McNutt, Tobin, Turner.

SB 148, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 148,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 239 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 239** be passed.

On the roll call the vote was yeas 80-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, Morris, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 5-Ellington, Freibert, Fryman, Haering, McNutt.

SB 239 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 239** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 275 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 275** be passed.

On the roll call the vote was yeas 47-Adams, Blandford, Boswell, Brinkley, Clark, Clarke, Craddock, Cyrus, Davenport, DeMarcus, Donnermeyer, Foster, Gray, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Lewis, List, Lundergan, Mann, May, McBee, Moberly, O'Brien, Petty, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 32-Bennett, Blair, Blythe, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, Crupper, Curd, Dawahare, Dunn, Ellington, Farrow, Freibert, Fryman, Head, Johnson, Layman, LeMaster, Maynard, McKinney, McNutt, Overstreet, Plummer, Priddy, Rapier, Rattliff, Tobin, Turner, Van Horn.

SB 275 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 275** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 295 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 295** be passed.

On the roll call the vote was yeas 87-Adams, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Ellington, Farrow, Freibert, Fryman, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 295 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 295** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 327 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 327** be passed.

On the roll call the vote was yeas 84-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, List, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 6-Ellington, Freibert, Fryman, Haering, Layman, Little.

SB 327 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 327** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 298 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 298** be passed.

On the roll call the vote was yeas 81-Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 6-Adams, Davenport, Ellington, Gray, Hancock, List.

SB 298 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 298** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the vote on **SB 136** be reconsidered.

On the roll call the vote was yeas 72-Adams, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, Lewis, List, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Schmidt, Smith, Thomason, Tobin, Turner, Van Horn, Weinberg, Williams, Worthington, Wright. Nays 18-Arnold, Blair, Brinkley, Bronger, Crupper, Ellington, Fryman, Gray, Haering, Head, LeMaster, McKinney, Plummer, Riner, Stone, White, Wilborn, Yates.

The motion that the vote on **SB 136** be reconsidered was adopted.

SB 136 taken from Consent Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative B. Richardson moved that **SB 136** be passed.

On the roll call the vote was yeas 18-Bennett, Blythe, Bruce, Cawood, Cyrus, Freibert, Hines, Holbrook, LeMaster, List, Little, McNutt, Morris, O'Brien, Rattliff, Robinson, Wilborn, Williams. Nays 73-Adams, Arnold, Barrows, Bendl, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Isler, Johnson, Jones, Kidd, Layman, Lewis, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Nett, Noe, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates.

SB 136 was defeated.

Representative B. Richardson moved that the vote by which **SB 136** was defeated be reconsidered and said motion be postponed indefinitely. Agreed.

SB 311 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 311** be passed.

On the roll call the vote was yeas 86-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Fryman, Guenthner, Hancock, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 1-Heleringer.

SB 311 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 311** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 349 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 349** be passed.

On the roll call the vote was yeas 83-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 3-DeMarcus, Ellington, Layman.

SB 349 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 349** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 329 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 329** be passed.

On the roll call the vote was yeas 80-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Freibert, Gray, Haering, Hancock, Head, Hines, Holbrook, Holloway, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Riner, Robinson, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 11-Brown, Ellington, Farrow, Fryman, Guenthner, Isler, Layman, Moberly, Turner, Van Horn, White.

SB 329 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 329** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 353 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 353** be passed.

On the roll call the vote was yeas 55-Bennett, Blandford, Blythe, Boswell, Brown, Bruce, Caldwell, Clark, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Foster, Fryman, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, Lewis, List, Little, Lundergan, May, McBee, Morris, Nett, Noe, O'Brien, Overstreet, Plummer, Priddy, Rattliff, Reynolds, Richards, B. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomason, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 31-Adams, Arnold, Barrows, Brinkley, Bronger, Burch, Burnette, Cawood, Clapp, Clarke, Crupper, Farrow, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Johnson, LeMaster, Maynard, McKinney, Moberly, Petty, Rapier, P. Richardson, Turner, Van Horn, Wilborn.

SB 353 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 353** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 389, with Committee Amendments attached thereto, taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Amendment No. 1 to **SB 389.** Agreed.

Representative B. Richardson moved the adoption of the Committee Amendment No. 2 to **SB 389.** Agreed.

Representative B. Richardson moved that **SB 389,** as amended, be passed.

On the roll call the vote was yeas 81-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, May, Maynard, McBee, McKinney, McNutt, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomason, Tobin, Van Horn, White, Williams, Worthington, Wright, Yates. Nays 11-Adams, Blythe, Clarke, Craddock, Fryman, List, Moberly, Schmidt, Turner, Weinberg, Wilborn.

SB 389, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 389,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SCR 54 taken from Consent Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SCR 54** be passed.

On the roll call the vote was yeas 82-Adams, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Dunn, Ellington, Farrow, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Mann, May, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stumbo, Thomas, Tobin, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 5-Cawood, Foster, Haering, Maynard, Stone.

SCR 54 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SCR 54** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Recess

Representative B. Richardson moved that the House recess until 1:00 p.m.

On the roll call the vote was yeas 42-Arnold, Bendl, Bennett, Brinkley, Bronger, Bruce, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Farrow, Freibert, Fryman, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Isler, Kenton, List, Mann, May, McBee, Moberly, Nett, O'Brien, Plummer, Rapier, Reynolds, Richards, P. Richardson, Riner, Smith, Stone, Stumbo, Turner, Wilborn. Nays 4-Adams, Layman, LeMaster, Overstreet.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

Representative B. Richardson moved that the rules of the House notwithstanding, the clincher motion be removed from **SB 389** to allow for the consideration of the Title Amendment filed today. Agreed.

Representative B. Richardson moved the adoption of the following Title Amendment to **SB 389,** by Representative Thomason:

Amend printed copy of **SB 389,** page 1, amend the title to read as follows: "AN ACT relating to energy."

The Title Amendment to **SB 389** was adopted by voice vote.

Representative B. Richardson moved that the vote by which **SB 389,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 280, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Foster moved the adoption of the Committee Amendment No. 1 to **SB 280.** Agreed.

Representative Foster moved that **SB 280,** as amended, be passed.

On the roll call the vote was yeas 76-Adams, Arnold, Barrows, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Lundergan, Mann, Maynard, McBee, Moberly, Nett, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Turner, Van Horn, Williams, Worthington, Wright, Yates. Nays 0.

SB 280, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 280,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 376, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 376** be passed.

Representative Weinberg moved the adoption of the Committee Amendment No. 2 to **SB 376.** Agreed.

Representative B. Richardson moved the adoption of the Committee Amendment No. 1 to **SB 376.** Agreed.

Representative Worthington moved the adoption of the Floor Amendment No. 1 to **SB 376.** Agreed.

Representative Brown moved the adoption of the Floor Amendment No. 2 to **SB 376.**

Representative Schmidt requested a ruling of the Chair as to whether Floor Amendment No. 2 was germane to the bill.

The Speaker ruled Floor Amendment No. 2 was not germane to the bill.

Representative B. Richardson moved that **SB 376,** as amended, be passed.

On the roll call the vote was yeas 69-Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Morris, Nett, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 20-Adams, Arnold, Blair, Blythe, Burnette, Cawood, Clarke, Fryman, Haering, Heleringer, Johnson, Layman, Lewis, Patrick, Rattliff, Riner, Smith, Thomas, Wilborn, Wright.

SB 376, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 376,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 323, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stone moved that **SB 323** be passed.

On the roll call the vote was yeas 61-Adams, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Dunn, Farrow, Foster, Fryman, Gray, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, May, McNutt, O'Brien, Overstreet, Priddy, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Wilborn, Williams, Yates. Nays 21-Arnold, Bronger, Caldwell, DeMarcus, Freibert, Haering, Heleringer, Layman, Lewis, Mann, Maynard, McBee, Nett, Noe, Patrick, Petty, Plummer, Schmidt, Tobin, Worthington, Wright.

SB 323 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 323** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Speaker Pro Tempore Hancock presiding.

SB 233, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Kenton moved that **SB 233** be passed.

On the roll call the vote was yeas 92-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 233 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 233** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SCR 18, with Floor Title Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative May moved that **SCR 18** be passed.

On the roll call the vote was yeas 86-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 0.

SCR 18 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SCR 18** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SCR 23 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stumbo moved the adoption of **SCR 23.**

On the roll call the vote was yeas 87-Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SCR 23 was adopted and the title agreed to.

A Free Conference Committee Report was filed on **HB 150.**

SB 213 taken from the Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stone moved that **SB 213** be passed.

Speaker Kenton presiding.

On the roll call the vote was yeas 83-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Davenport, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale. Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 213 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 213** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 267, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved the adoption of Floor Amendment No. 5 to **SB 267.** Agreed.

Representative Worthington moved the adoption of the Committee Substitute to **SB 267.** Agreed.

Representative Brinkley moved that the rules be suspended to apply Floor Amendment No. 5 to the Committee Substitute to **SB 267.** Agreed.

Representative Brinkley moved the adoption of the Floor Amendment No. 5 to the Committee Substitute to **SB 267.** Agreed.

Representative Worthington moved that **SB 267,** by way of Committee Substitute as amended, be passed.

Representative Dunn moved the adoption of the Floor Amendment No. 3 to the Committee Substitute to **SB 267.**

On the roll call the vote was yeas 22-Barrows, Bennett, Blythe, Burch, Clark, Curd, Dunn, Gray, Haering, Hancock, Hines, Holloway, List, Little, Maynard, McBee, Nett, O'Brien, P. Richardson, Van Horn, Williams, Yates. Nays 58-Adams, Arnold, Blair, Boswell, Brinkley, Bruce, Caldwell, Cawood, Clapp, Clarke, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Farrow, Foster, Freibert, Fryman, Guenthner, Heleringer, Holbrook, Isler, Johnson, Kenton, Layman, LeMaster, Lewis, Lundergan, Mann, May, McKinney, Moberly, Noe, Overstreet, Patrick, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, B. Richardson, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Tobin, Turner, Weinberg, White, Wilborn, Worthington, Wright.

Floor Amendment No. 3 to **SB 267** was rejected.

On the roll call the vote was yeas 88-Adams, Arnold, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 2-Curd, Holloway.

SB 267, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 267,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 68, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Romines moved that **SB 68** be passed.

On the roll call the vote was yeas 69-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Nett, O'Brien, Overstreet, Priddy, Rapier, Rattliff, Reynolds, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Thomas, Thomason, Tobin, Van Horn, Wilborn, Williams, Worthington, Wright, Yates. Nays 19-Blair, Brinkley, Bruce, Dawahare, DeMarcus, Deskins, Ellington, Fryman, Head, Lewis, McKinney, Noe, Petty, Richards, Stone, Stumbo, Turner, Weinberg, White.

SB 68 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 68** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 287, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Floor Amendment No. 1 to **SB 287.** Agreed.

Representative Clarke moved that **SB 287,** as amended, be passed.

On the roll call the vote was yeas 74-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Craddock, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Wright, Yates. Nays 5-Crupper, Deskins, Heleringer, McKinney, Stumbo.

SB 287, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 287,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 31, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Moberly moved the adoption of the Committee Substitute to **SB 31.** Agreed.

Representative Moberly moved that **SB 31,** by way of Committee Substitute, be passed.

Representative Barrows moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **SB 31**.

On the roll call the vote was yeas 22-Barrows, Bendl, Caldwell, Cawood, Clarke, Dawahare, Deskins, Farrow, Haering, Heleringer, Hines, Johnson, Kenton, Lundergan, Mann, Noe, B. Richardson, Smith, Stumbo, Thomas, Van Horn, Williams. Nays 64-Adams, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, DeMarcus, Donnermeyer, Dunn, Ellington, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Holbrook, Holloway, Isler, Jones, Layman, LeMaster, Lewis, List, Little, May, Maynard, McBee, McKinney, McNutt, Moberly, Overstreet, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Robinson, Romines, Sale, Schmidt, Stone, Thomason, Tobin, Turner, Weinberg, White, Wilborn, Wright.

Floor Amendment No. 2 to **SB 31** was rejected.

Representative Moberly moved the adoption of the Floor Amendment No. 3 to the Committee Substitute to **SB 31**. Agreed.

Representative Moberly moved that **SB 31,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 75-Adams, Arnold, Bendl, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Ellington, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Jones, Layman, LeMaster, Lewis, List, Little, Lundergan, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, O'Brien, Overstreet, Petty, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 13-Barrows, Bennett, Clarke, Crupper, Dunn, Farrow, Hines, Kenton, Noe, Priddy, Thomas, Van Horn, Williams.

SB 31, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 31,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 65, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Crupper moved that **SB 65** be passed.

Representative O'Brien moved the adoption of the Floor Amendment No. 1 to **SB 65.** Rejected.

On the roll call the vote was yeas 89-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 1-DeMarcus.

SB 65 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 65** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 133, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Amendment No. 1 to **SB 133.** Agreed.

Representative Clarke moved that **SB 133,** as amended, be passed.

On the roll call the vote was yeas 85-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 133, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 133,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 246, with Floor Amendments and Title Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomas moved the adoption of the Floor Amendment No. 1 to **SB 246.** Agreed.

Representative Thomas moved that **SB 246,** as amended, be passed.

Representative Jones moved the adoption of the Floor Amendment No. 2 to **SB 246.**

On the roll call the vote was yeas 46-Arnold, Barrows, Bendl, Blythe, Brown, Bruce, Caldwell, Cawood, Clarke, Craddock, Donnermeyer, Freibert, Gray, Guenther, Hancock, Heleringer, Hines, Holloway, Isler, Jones, Kidd, LeMaster, List, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Nett, Noe, Overstreet, Petty, Priddy, Richards, P. Richardson, Romines, Sale, Schmidt, Smith, Thomas, Tobin, Wilborn, Williams, Yates. Nays 47-Adams, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Burch, Burnette, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Dunn, Ellington, Farrow, Foster, Fryman, Haering, Head, Holbrook, Johnson, Kenton, Layman, Lewis, Little, Maynard, McKinney, O'Brien, Patrick, Plummer, Rapier, Rattliff, Reynolds, B. Richardson, Riner, Robinson, Stone, Turner, Van Horn, Weinberg, White, Wright.

Floor Amendment No. 2 to **SB 246** was rejected.

On the roll call the vote was yeas 85-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Robinson, Romines, Sale, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 2-Schmidt, Tobin.

SB 246 was passed.

Representative Thomas moved the adoption of the Title Amendment to **SB 246.** Agreed.

Representative B. Richardson moved that the vote by which **SB 246,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 288 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 288** be passed.

On the roll call the vote was yeas 71-Adams, Arnold, Barrows, Bendl, Blair, Blythe, Brinkley, Brown, Bruce, Burch, Burnette, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Farrow, Freibert, Gray, Guenthner, Haering, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, May, Maynard, McBee, Moberly, Morris, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright. Nays 13-Bennett, Blandford, Boswell, Bronger, Caldwell, Crupper, Davenport, Dunn, Fryman, Head, Heleringer, Mann, Noe.

SB 288 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 288** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Speaker Pro Tempore Hancock presiding.

SB 309, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved that **SB 309** be passed.

On the roll call the vote was yeas 57-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Craddock, Curd, Cyrus, Davenport, DeMarcus, Donnermeyer, Foster, Freibert, Guenthner, Haering, Hancock, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Lundergan, Mann, Moberly, Morris, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, Sale, Schmidt, Thomas, Thomason, Van Horn, Wilborn, Wright. Nays 26-Bronger, Crupper, Dawahare, Deskins, Farrow, Fryman, Gray, Head, Heleringer, Lewis, Little, McBee, McNutt, Overstreet, Patrick, P. Richardson, Robinson, Smith, Stone, Stumbo, Tobin, Turner, Weinberg, White, Williams, Worthington.

SB 309 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 309** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 362, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Kidd moved the adoption of the Floor Amendment No. 2 to **SB 362.**

On the roll call the vote was yeas 42-Bennett, Blythe, Brinkley, Brown, Bruce, Craddock, Crupper, Curd, Davenport, Dawahare, DeMarcus, Fryman, Gray, Head, Heleringer, Hines, Holloway, Isler, Kidd, Lewis, Little, Maynard, McBee, McKinney, Moberly, Morris, Noe, Overstreet, Rapier, Rattliff, Reynolds, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Tobin, Williams, Wright, Yates. Nays 29-Adams, Arnold, Barrows, Blair, Boswell, Caldwell, Cawood, Clark, Clarke, Ellington, Farrow, Foster, Freibert, Haering, Hancock, Holbrook, Jones, Layman, LeMaster, Lundergan, May, McNutt, Nett, Richards, B. Richardson, Van Horn, Weinberg, Wilborn, Worthington.

Floor Amendment No. 2 to **SB 362** was adopted.

Representative Overstreet moved the adoption of Floor Amendment No. 4 to **SB 362.**

On the roll call the vote was yeas 66-Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Gray, Haering, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Layman, Lewis, Little, May, Maynard, McBee, McKinney, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, B. Richardson, Riner, Robinson, Sale, Schmidt, Smith, Stone, Stumbo, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 11-Adams, Caldwell, Clarke, Hancock, LeMaster, List, Mann, McNutt, Moberly, Nett, Thomas.

Floor Amendment No. 4 to **SB 362** was adopted.

Representative Weinberg moved the adoption of the Floor Amendment No. 1 to **SB 362.**

On the roll call the vote was yeas 29-Barrows, Bennett, Blair, Blythe, Brinkley, Brown, Cawood, Craddock, Davenport, Deskins, Donnermeyer, Head, Hines, Kidd, Little, Maynard, McNutt, Morris, Noe, Petty, B. Richardson, Romines, Smith, Stone, Tobin, Weinberg, Williams, Worthington, Yates. Nays 26-Adams, Arnold, Burch, Caldwell, Clark, Clarke, Ellington, Farrow, Foster, Freibert, Haering, Hancock, Holbrook, Kenton, LeMaster, Lewis, List, Lundergan, Mann, May, Nett, Patrick, Richards, Robinson, Stumbo, Van Horn.

Floor Amendment No. 1 to **SB 362** was adopted.

Representative Kidd moved the adoption of the Floor Amendment No. 3 to **SB 362.**

On the roll call the vote was yeas 43-Bennett, Blair, Blythe, Brinkley, Bronger, Brown, Bruce, Cawood, Clapp, Craddock, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Dunn, Gray, Head, Hines, Holloway, Isler, Johnson, Kidd, Lewis, Little, Maynard, McBee, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Robinson, Romines, Sale, Smith, Stone, Tobin, Turner, Williams, Wright. Nays 32-Adams, Arnold, Barrows, Blandford, Burch, Caldwell, Clark, Clarke, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Heleringer, Holbrook, Jones, Kenton, Layman, LeMaster, Lundergan, May, McNutt, Nett, Rapier, Richards, B. Richardson, Stumbo, Van Horn, Weinberg, Wilborn, Worthington.

Floor Amendment No. 3 to **SB 362** was adopted.

Representative Kidd moved that **SB 362,** as amended, be passed.

Representative DeMarcus moved that Floor Amendment No. 2 to **SB 362** be reconsidered.

On the roll call the vote was yeas 44-Blair, Brinkley, Brown, Burch, Clapp, Craddock, Curd, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Foster, Fryman, Gray, Holloway, Isler, Johnson, Kidd, Lewis, Little, Maynard, McBee, McKinney, Moberly, Noe, Overstreet, Petty, Rapier, Rattliff, Reynolds, Richards, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Tobin, Turner, Van Horn, Williams, Wright. Nays 15-Barrows, Bronger, Caldwell, Clark, Clarke, Freibert, Haering, Hines, Holbrook, Kenton, LeMaster, May, McNutt, B. Richardson, Weinberg.

The motion that the vote on Floor Amendment No. 2 to **SB 362** be reconsidered was adopted.

On the roll call the vote was yeas 46-Blair, Boswell, Brinkley, Brown, Bruce, Clapp, Clark, Craddock, Curd, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Gray, Head, Hines, Holloway, Isler, Johnson, Kidd, Lewis, Little, Maynard, McBee, McKinney, Morris, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Rattliff, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomason, Tobin, Van Horn, Williams, Wright, Yates. Nays 28-Adams, Arnold, Burch, Caldwell, Cawood, Clarke, Ellington, Farrow, Freibert, Haering, Hancock, Holbrook, Jones, Kenton, Layman, LeMaster, Lundergan, May, McNutt, Nett, Reynolds, Richards, B. Richardson, Stumbo, Turner, Weinberg, Wilborn, Worthington.

SB 362, as amended, was passed.

Representative Kidd moved the adoption of the Title Amendment to **SB 362.** Agreed.

Representative B. Richardson moved that the vote by which **SB 362** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 236, with Committee Amendments and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Morris moved the adoption of the Committee Amendment No. 1 to **SB 236.** Agreed.

Representative Morris moved that **SB 236,** as amended, be passed.

On the roll call the vote was yeas 43-Adams, Bendl, Bennett, Blythe, Brinkley, Bronger, Bruce, Burch, Caldwell, Clark, Clarke, Craddock, Cyrus, Davenport, Donnermeyer, Dunn, Freibert, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Mann, Maynard, McBee, McNutt, Morris, Nett, O'Brien, Petty, Priddy, Richards, B. Richardson, Riner, Romines, Schmidt, Wilborn, Yates. Nays 49-Arnold, Barrows, Blair, Blandford, Boswell, Brown, Burnette, Clapp, Crupper, Curd, Dawahare, DeMarcus, Deskins, Ellington, Farrow, Foster, Fryman, Gray, Head, Jones, Layman, LeMaster, Lewis, List, Little, Lundergan, May, McKinney, Moberly, Noe, Overstreet, Patrick, Plummer, Rapier, Rattliff, Reynolds, P. Richardson, Robinson, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington.

SB 236, as amended, was defeated.

SB 368, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Speaker Kenton presiding.

Representative B. Richardson moved that **SB 368** be passed.

Representative Burnette moved the adoption of the Floor Amendment No. 2 to **SB 368.**

Representative Barrows requested a ruling of the Chair as to whether Floor Amendment No. 2 was germane to the bill.

The Speaker ruled Floor Amendment No. 2 was not germane.

On the roll call the vote was yeas 72-Adams, Arnold, Barrows, Bendl, Blair, Blandford, Boswell, Brinkley, Brown, Bruce, Burch, Caldwell, Cawood, Clapp, Clarke, Curd, Davenport, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Nett, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, B. Richardson, Riner, Robinson, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 14-Bennett, Bronger, Burnette, Clark, Crupper, Cyrus, Dunn, Gray, Priddy, P. Richardson, Romines, Tobin, Van Horn, Williams.

SB 368 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 368** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 332, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holbrook moved the adoption of the Floor Amendment No. 3 to **SB 332.** Agreed.

Representative Schmidt moved the adoption of the Floor Amendment No. 4 to **SB 332.**

On the roll call the vote was yeas 51-Adams, Arnold, Blair, Blythe, Boswell, Brinkley, Brown, Burch, Burnette, Clapp, Curd, Cyrus, Dawahare, Donnermeyer, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Heleringer, Holbrook, Holloway, Isler, Kenton, Layman, LeMaster, Little, Mann, May, McBee, McKinney, Nett, Petty, Plummer, Rattliff, Reynolds, Richards, B. Richardson, Riner, Robinson, Sale, Schmidt, Stone, Thomason, Turner, Van Horn, Worthington, Wright, Yates. Nays 23-Barrows, Bendl, Bennett, Blandford, Caldwell, Cawood, Clark, Clarke, Crupper, Dunn, Ellington, Farrow, Hines, Johnson, List, McNutt, Moberly, Priddy, Smith, Tobin, White, Wilborn, Williams.

Floor Amendment No. 4 to **SB 332** was adopted.

Representative B. Richardson moved that **SB 332,** as amended, be passed.

On the roll call the vote was yeas 49-Arnold, Blair, Blythe, Boswell, Burch, Burnette, Caldwell, Clapp, Craddock, Crupper, Curd, Cyrus, Davenport, Donnermeyer, Dunn, Foster, Fryman, Haering, Hancock, Head, Hines, Holbrook, Isler, Kenton, Layman, LeMaster, Lundergan, Mann, May, Nett, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Schmidt, Stone, Thomason, Turner, Van Horn, Worthington, Wright, Yates. Nays 20-Bendl, Bennett, Brinkley, Bronger, Bruce, Cawood, Clark, Clarke, Farrow, Freibert, Gray, Heleringer, List, McBee, McNutt, O'Brien, Smith, Thomas, Tobin, Wilborn.

SB 332, as amended, was passed and the title agreed.

Representative B. Richardson moved that the vote by which **SB 332,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 79, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hines moved that **SB 79** be passed.

Representative Adams moved the adoption of the Committee Amendment No. 1 to **SB 79.** Agreed.

Representative Hines moved that **SB 79,** as amended, be passed.

On the roll call the vote was yeas 61-Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Gray, Hancock, Head, Heleringer, Hines, Isler, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, McBee, Moberly, Nett, Noe, O'Brien, Petty, Priddy, Rapier, P. Richardson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington. Nays 11-Ellington, Foster, Fryman, Haering, Holloway, McKinney, Plummer, Riner, Turner, Wright, Yates.

SB 79, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 79,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 249, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Substitute to **SB 249.** Agreed.

Representative B. Richardson moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **SB 249.** Agreed.

Representative B. Richardson moved that **SB 249,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 77-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, List, Little, Mann, May, Maynard, McBee, McNutt, Moberly, Nett, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 249, by way of Committee Substitute, as amended was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 249,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 251, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Substitute to **SB 251.** Agreed.

Representative B. Richardson moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **SB 251.** Agreed.

Representative B. Richardson moved that **SB 251,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 76-Adams, Arnold, Barrows, Bendl, Bennett, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, List, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 2-Bruce, Patrick.

SB 251, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 251,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Recess

Representative B. Richardson moved that the House recess until 5:15.

On the roll call the vote was yeas 41-Adams, Arnold, Bendl, Bennett, Boswell, Bronger, Bruce, Caldwell, Clark, Curd, Cyrus, Davenport, Donnermeyer, Foster, Freibert, Fryman, Head, Hines, Isler, Johnson, Kenton, List, Mann, May, McBee, Moberly, Nett, Noe, O'Brien, Priddy, Richards, B. Richardson, P. Richardson, Stone, Stumbo, Thomason, Turner, Weinberg, Wilborn, Williams, Yates. Nays 6-Dunn, Farrow, Holbrook, Layman, Robinson, Van Horn.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

SB 338 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Barrows moved that **SB 338** be passed.

On the roll call the vote was yeas 28-Arnold, Barrows, Bennett, Boswell, Brinkley, Bronger, Cawood, Clark, Craddock, Davenport, Dunn, Farrow, Foster, Freibert, Isler, Johnson, Kenton, LeMaster, List, McBee, Petty, Priddy, B. Richardson, Sale, Stone, Thomason, Turner, Wilborn. Nays 20-Adams, Clapp, Crupper, Curd, Donnermeyer, Ellington, Gray, Head, Heleringer, Jones, Layman, Mann, May, McNutt, Rapier, Rattliff, Schmidt, Stumbo, Tobin, Van Horn.

SB 338 was defeated.

SB 347 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Freibert moved that **SB 347** be passed.

On the roll call the vote was yeas 50-Adams, Arnold, Bendl, Blair, Blythe, Boswell, Bronger, Burnette, Caldwell, Clapp, Clarke, Craddock, Curd, Davenport, Dawahare, Donnermeyer, Foster, Freibert, Haering, Head, Hines, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Lundergan, Mann, McBee, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Romines, Sale, Schmidt, Stone, Stumbo, Thomason, Tobin, Van Horn, Wilborn, Worthington, Wright, Yates. Nays 11-Brown, Crupper, Cyrus, Ellington, Farrow, Fryman, Gray, Guenthner, Heleringer, Layman, Turner.

SB 347 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 347** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 348 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 348** be passed.

On the roll call the vote was yeas 62-Arnold, Barrows, Bendl, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kidd, LeMaster, List, Little, Mann, May, McBee, McNutt, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Wright, Yates. Nays 0.

SB 348 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 348** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 366, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 366** be passed.

Representative Bennett moved the adoption of the Committee Amendment No. 1 to **SB 366.**

On the roll call the vote was yeas 50-Adams, Bendl, Bennett, Blythe, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Gray, Guenthner, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, List, Mann, McBee, McKinney, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, Robinson, Romines, Smith, Stone, Stumbo, Thomason, Van Horn, Weinberg, Williams, Worthington, Yates. Nays 18-Blair, Burnette, Clarke, Ellington, Foster, Freibert, Fryman, Haering, Hancock, Layman, LeMaster, Little, McNutt, Rattliff, Tobin, Turner, Wilborn, Wright.

Committee Amendment No. 1 was adopted.

Representative B. Richardson moved that **SB 366,** as amended, be passed.

On the roll call the vote was yeas 60-Adams, Arnold, Barrows, Bendl, Blair, Blythe, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, Deskins, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Hancock, Heleringer, Hines, Holbrook, Holloway, Jones, Kenton, Kidd, Layman, LeMaster, List, Mann, May, McBee, McNutt, Moberly, Morris, O'Brien, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Sale, Schmidt, Thomason, Turner, Weinberg, Wilborn, Williams, Worthington, Wright. Nays 26-Bennett, Blandford, Boswell, Brinkley, Brown, Cyrus, Donnermeyer, Gray, Haering, Head, Isler, Johnson, Little, McKinney, Patrick, Petty, Priddy, Riner, Robinson, Romines, Smith, Stone, Stumbo, Van Horn, White, Yates.

SB 366, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 366,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 371 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 371** be passed.

On the roll call the vote was yeas 70-Adams, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, LeMaster, List, Little, May, McKinney, McNutt, Moberly, Morris, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Robinson, Sale, Schmidt, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright. Nays 0.

SB 371 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 371** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 39, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved the adoption of the Committee Amendment No. 1 to **SB 39.** Agreed.

Representative Donnermeyer moved the adoption of the Floor Amendment No. 1 to **SB 39.** Agreed.

Representative Donnermeyer moved that **SB 39,** as amended, be passed.

On the roll call the vote was yeas 76-Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Little, Mann, May, Maynard, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Rattliff, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 39, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 39,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended for the purpose of entertaining a motion. Agreed.

Representative Thomason moved that **SB 365,** as amended, be taken from the Clerk's desk and placed in Orders of the Day.

On the roll call the vote was yeas 49-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Brinkley, Brown, Burch, Caldwell, Cawood, Craddock, Curd, Cyrus, Dawahare, Deskins, Farrow, Foster, Freibert, Gray, Guenthner, Head, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, LeMaster, List, May, Moberly, Nett, O'Brien, Priddy, Richards, B. Richardson, Riner, Romines, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Wilborn, Williams. Nays 19-Burnette, Clark, Crupper, Donnermeyer, Fryman, Hancock, Layman, Mann, McBee, McKinney, Patrick, Petty, Rapier, P. Richardson, Robinson, Smith, Stumbo, Turner, Van Horn.

The motion that **SB 365,** as amended, be taken from the Clerk's desk and placed in Orders of the Day was adopted.

Senate Message

Announcing passage of **HB 337, HB 319** with Senate Amendment, **HB 864** with Senate Amendment, **HB 974** with Senate Amendment.

Orders of the Day (continued)

SB 365, as previously amended by Committee Amendment No. 1 and Floor Amendment No. 1 taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative Deskins moved the adoption of the Floor Amendment No. 3 to **SB 365.** Agreed.

Representative Thomason moved that **SB 365,** as amended, be passed.

On the roll call the vote was yeas 41-Arnold, Barrows, Bendl, Blair, Blythe, Brown, Caldwell, Cawood, Clarke, Craddock, Davenport, Deskins, Foster, Gray, Guenthner, Haering, Hines, Holbrook, Johnson, Jones, Kenton, Kidd, LeMaster, Little, Lundergan, May, McNutt, Moberly, Plummer, Richards, B. Richardson, Romines, Sale, Schmidt, Stumbo, Thomas, Tobin, Turner, Weinberg, Wilborn, Williams. Nays 44-Adams, Blandford, Boswell, Brinkley, Bronger, Burch, Burnette, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Ellington, Farrow, Freibert, Fryman, Hancock, Head, Heleringer, Isler, Layman, List, Mann, McBee, McKinney, Noe, O'Brien, Patrick, Petty, Priddy, Rapier, Rattliff, P. Richardson, Riner, Robinson, Smith, Stone, Thomas, Van Horn, White, Worthington, Wright.

SB 365, as amended, was defeated.

SB 58, as amended by Floor Amendments No. 2, No. 4, and No. 6 taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative B. Richardson moved that the rules be suspended to reconsider Floor Amendments No. 2, No. 4, and No. 6. Agreed.

Representative Cawood moved the adoption of the Floor Amendment No. 3. Agreed.

Representative Cawood moved the adoption of the Floor Amendment No. 5. Agreed.

Representative Wilborn moved the adoption of the Floor Amendment No. 7. Agreed.

Representative Dawahare moved that **SB 58,** as amended, be passed.

On the roll call the vote was yeas 59-Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Farrow, Foster, Fryman, Gray, Haering, Hancock, Head, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Little, Mann, May, McBee, McKinney, McNutt, Moberly, Noe, Patrick, Petty, Priddy, Rapier, Richards, P. Richardson, Riner, Robinson, Sale, Smith, Stone, Stumbo, Thomas, Tobin, Van Horn, Weinberg, White, Williams, Worthington, Wright. Nays 12-Barrows, Bendl, Caldwell, Clarke, Ellington, Freibert, List, O'Brien, Schmidt, Thomason, Turner, Wilborn.

SB 58, as amended, was passed and the title agreed to.

Representative May moved that the vote by which **SB 58,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 297, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative May moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved the adoption of the Committee Amendment No. 1 to **SB 297.** Agreed.

Speaker Pro Tempore presiding.

Representative LeMaster moved that **SB 297,** as amended, be passed.

On the roll call the vote was yeas 67-Adams, Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Wilborn. Nays 9-Bennett, Burnette, Ellington, Haering, Layman, Van Horn, Williams, Worthington, Wright.

SB 297, as amended, was passed and the title agreed to.

Representative May moved that the vote by which **SB 297,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 278, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved that **SB 278** be passed.

Representative Mann moved the adoption of the Floor Amendment No. 1 to **SB 278.**

On the roll call the vote was yeas 25-Blandford, Boswell, Bruce, Burnette, Caldwell, Crupper, Curd, Cyrus, Donnermeyer, Gray, Head, Heleringer, Isler, Layman, Mann, McBee, McKinney, Morris, Noe, O'Brien, Petty, Richards, P. Richardson, Thomas, Williams. Nays 50-Adams, Arnold, Blair, Bronger, Brown, Burch, Cawood, Clapp, Clark, Clarke, Davenport, Deskins, Dunn, Farrow, Foster, Freibert, Fryman, Haering, Hancock, Hines, Holbrook, Holloway, Johnson, Jones, LeMaster, List, Little, May, McNutt, Moberly, Nett, Patrick, Plummer, Priddy, Rapier, Rattliff, B. Richardson, Riner, Sale, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Wright.

Floor Amendment No. 1 to **SB 278** was rejected.

On the roll call the vote was yeas 76-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 12-Brinkley, Ellington, Freibert, Fryman, Haering, Hancock, List, Patrick, Thomas, Tobin, Worthington, Wright.

SB 278 was passed and the title agreed to.

SB 205, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Heleringer moved the adoption of the Floor Amendment No. 4 to **SB 205.** Agreed.

Representative Cawood moved that **SB 205,** as amended, be passed.

On the roll call the vote was yeas 69-Adams, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Mann, May, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 7-Dawahare, Ellington, Fryman, List, McNutt, Robinson, Tobin.

SB 205, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 205,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 381, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved the adoption of the Committee Amendment No. 1 to **SB 381.** Agreed.

Representative Thomason moved that **SB 381,** as amended, be passed.

Representative Romines moved the adoption of the Floor Amendment No. 1 to **SB 381.**

Representative Noe requested a ruling of the Chair as to whether Floor Amendment No. 1 was germane.

The Speaker ruled Floor Amendment No. 1 was not germane.

The ruling of the Chair was appealed.

On the roll call the vote was yeas 63-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Farrow, Foster, Head, Hines, Isler, Kenton, Kidd, Layman, LeMaster, Little, Mann, May, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Patrick, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Nays 8-Blythe, Gray, Haering, Priddy, Romines, Schmidt, Wright, Yates.

The ruling of the Chair was upheld.

Representative B. Richardson moved that **SB 381,** as amended, be passed.

On the roll call the vote was yeas 66-Adams, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Little, Lundergan, Mann, McBee, McKinney, Morris, Nett, Noe, O'Brien, Patrick, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Williams, Wright, Yates. Nays 13-Barrows, Blair, Brown, Clarke, Ellington, Haering, Layman, LeMaster, McNutt, Tobin, White, Wilborn, Worthington.

SB 381, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 381,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 383, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved that **SB 383** be passed.

On the roll call the vote was yeas 78-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Nett, O'Brien, Patrick, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 0.

SB 383 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 383** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 363 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 363** be passed.

On the roll call the vote was yeas 75-Adams, Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Farrow, Freibert, Gray, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McBee, McKinney, Moberly, Morris, Nett, O'Brien, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 6-Bennett, Bruce, Burnette, Cawood, Fryman, Heleringer.

SB 363 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 363** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 195, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 195** be passed.

Representative Curd moved the adoption of the Committee Amendment No. 1 to **SB 195.**

Representative Adams inquired as to whether the Committee Amendment No. 1 was germane.

The speaker ruled Committee Amendment No. 1 was not germane.

Representatives Burnette and Gray appealed the ruling of the Chair.

Speaker Pro Tempore presiding.

On the roll call the vote was yeas 40-Adams, Arnold, Barrows, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Cawood, Clarke, Craddock, Davenport, Deskins, Donnermeyer, Dunn, Foster, Haering, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, Moberly, O'Brien, Petty, Richards, B. Richardson, Schmidt, Stone, Thomason, Weinberg, Worthington. Nays 30-Bennett, Burnette, Caldwell, Clapp, Crupper, Curd, Cyrus, Dawahare, Ellington, Farrow, Fryman, Gray, Head, Heleringer, Hines, McBee, McNutt, Morris, Patrick, Rapier, Rattliff, Riner, Smith, Stumbo, Tobin, Turner, Van Horn, Williams, Wright, Yates.

The ruling of the Chair was upheld.

Speaker Kenton presiding.

Representative Richards moved that **SB 195** be passed.

On the roll call the vote was yeas 64-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Cawood, Clapp, Clark, Craddock, Crupper, Cyrus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Little, May, McBee, Moberly, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Schmidt, Stone, Thomason, Van Horn, Weinberg, Williams, Worthington, Wright, Yates. Nays 17-Burnette, Clarke, Davenport, Ellington, Freibert, Fryman, Haering, List, Mann, McNutt, Patrick, Smith, Stumbo, Thomas, Tobin, Turner, Wilborn.

SB 195 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 195** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 265, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Substitute to **SB 265.** Agreed.

Representative Blythe moved the adoption of the Committee Amendment No. 1 to **SB 265.**

Representative Clarke inquired as to whether the Committee Amendment No. 1 was germane to the bill.

The Speaker ruled the Committee Amendment No. 1 was not germane.

Representative Clarke moved that **SB 265,** by way of Committee Substitute be passed.

On the roll call the vote was yeas 58-Arnold, Bendl, Bennett, Blair, Blythe, Boswell, Bronger, Burch, Burnette, Caldwell, Clapp, Clark, Clarke, Craddock, Crupper, Deskins, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, List, Lundergan, Mann, McBee, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Smith, Stumbo, Thomas, Thomason, Turner, Wilborn, Williams, Worthington, Wright, Yates. Nays 14-Adams, Cawood, Curd, Farrow, Fryman, Haering, Heleringer, Layman, Riner, Robinson, Stone, Tobin, Weinberg, White.

SB 265, by way of committee Substitute, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 265,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 291 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 291** be passed.

On the roll call the vote was yeas 83-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Schmidt, Smith, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 1-Deskins.

SB 291 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 291** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 242 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved that **SB 242** be passed.

On the roll call the vote was yeas 81-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Patrick, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 242 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 242** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 299 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 299** be passed.

On the roll call the vote was yeas 89-Adams, Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 299 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 299** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 308 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that **SB 308** be passed.

On the roll call the vote was yeas 79-Adams, Arnold, Barrows, Bendl, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, May, McKinney, Moberly, Morris, Noe, O'Brien, Patrick, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 6-Blythe, Donnermeyer, Mann, McBee, Petty, Schmidt.

SB 308 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 308** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 390, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved the adoption of the Floor Amendment No. 1 to **SB 390.** Agreed.

Representative Donnermeyer moved that **SB 390,** as amended, be passed.

On the roll call the vote was yeas 55-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clark, Craddock, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Freibert, Gray, Hancock, Head, Heleringer, Hines, Holloway, Isler, Kidd, LeMaster, List, Little, Mann, McBee, Noe, O'Brien, Petty, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Romines, Smith, Stone, Thomas, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 12-Ellington, Farrow, Fryman, Haering, Holbrook, Jones, Layman, McKinney, Plummer, Tobin, Turner, Wilborn.

SB 390, as amended, was passed.

Representative Donnermeyer moved the adoption of the Floor Title Amendment to **SB 390.** Agreed.

Representative Donnermeyer moved that the vote by which **SB 390,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 17, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved that **SB 17** be passed.

Representative B. Richardson moved the adoption of the Floor Amendment No. 2 to **SB 17.** Agreed.

Representative B. Richardson moved the adoption of the Floor Amendment No. 1 to **SB 17.** Agreed.

Representative B. Richardson moved that **SB 17,** as amended, be passed.

Speaker Pro Tempore Hancock presiding.

On the roll call the vote was yeas 58-Adams, Arnold, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Ellington, Foster, Freibert, Fryman, Gray, Haering, Head, Heleringer, Holloway, Isler, Johnson, Jones, Kidd, LeMaster, Little, Lundergan, Mann, May, McBee, McNutt, Morris, Noe, O'Brien, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Stone, Stumbo, Thomas, Thomason, Turner, Weinberg, Wilborn. Nays 19-Barrows, Bendl, Blythe, Burch, Caldwell, Dunn, Farrow, Hancock, Hines, Holbrook, Layman, Moberly, Patrick, Schmidt, Van Horn, White, Worthington, Wright, Yates.

SB 17, as amended, was passed.

Representative B. Richardson moved the adoption of the Title Amendment to **SB 17.** Agreed.

Representative B. Richardson moved that the vote by which **SB 17,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 296 taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Floor Amendment No. 2 to **SB 296.**

Representative Burnette inquired as to whether Floor Amendment No. 2 was germane.

The Speaker ruled Floor Amendment No. 2 was germane.

Representatives Weinberg and Schmidt appealed the ruling of the Chair.

Speaker Kenton presiding.

On the roll call the vote was yeas 10-Adams, Bruce, Burch, Cawood, Foster, Freibert, May, Richards, B. Richardson, Riner. Nays 61-Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Fryman, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Layman, LeMaster, Little, Lundergan, Mann, McBee, McKinney, Moberly, Noe, Patrick, Petty, Priddy, Rapier, P. Richardson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates.

The ruling of the Chair was overruled.

Representative Hancock moved that Floor Amendment No. 3 to **SB 296** be laid on the table.

On the roll call the vote was yeas 54-Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Foster, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Little, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Nett, Noe, Petty, Rapier, P. Richardson, Smith, Stone, Stumbo, Thomas, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 8-Bendl, Clapp, Crupper, Patrick, Rattliff, Riner, Robinson, Turner.

Floor Amendment No. 3 to **SB 296** was laid on the table.

Representative B. Richardson moved that **SB 315** be taken from the Clerk's desk and placed in Orders of the Day.

On the roll call the vote was yeas 43-Adams, Arnold, Barrows, Bendl, Blythe, Brinkley, Bruce, Caldwell, Cawood, Clarke, Craddock, Donnermeyer, Foster, Gray, Guenthner, Hancock, Heleringer, Hines, Holbrook, Holloway, Jones, Kenton, Kidd, LeMaster, Lundergan, Mann, May, McBee, Moberly, Morris, Nett, Noe, Petty, Plummer, Richards, B. Richardson, Schmidt, Smith, Thomas, Thomason, Tobin, Weinberg, Wilborn. Nays 40-Bennett, Blair, Blandford, Boswell, Bronger, Brown, Burch, Clapp, Crupper, Curd, Cyrus, Davenport, Dawahare, Dunn, Ellington, Farrow, Freibert, Fryman, Haering, Isler, Layman, McKinney, McNutt, Patrick, Priddy, Rapier, Rattliff, P. Richardson, Riner, Robinson, Romines, Stone, Stumbo, Turner, Van Horn, White, Williams, Wright, Yates.

The motion that **SB 315** be taken from the Clerk's desk and placed in Orders of the Day was adopted.

SB 315, as previously amended by Floor Amendments No. 2 and No. 3, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative Thomason moved the adoption of the Floor Amendment No. 4 to **SB 315.**

Representative Clapp moved that Floor Amendment No. 4 to **SB 315** be laid on the table.

On the roll call the vote was yeas 45-Adams, Bennett, Blair, Blandford, Boswell, Bronger, Brown, Burch, Burnette, Clapp, Crupper, Curd, Cyrus, Davenport, Dawahare, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Head, Holbrook, Isler, Layman, Little, McKinney, McNutt, Patrick, Priddy, Rapier, Rattliff, P. Richardson, Riner,, Robinson, Romines, Stone, Stumbo, Turner, Van Horn, White, Wright, Yates. Nays 42-Arnold, Barrows, Bendl, Blythe, Brinkley, Bruce, Caldwell, Cawood, Clark, Clarke, Craddock, Deskins, Donnermeyer, Guenthner, Hancock, Heleringer, Hines, Holloway, Jones, Kenton, Kidd, LeMaster, List, Lundergan, Mann, May, McBee, Morris, Nett, Noe, Petty, Richards, B. Richardson, Schmidt, Smith, Thomas, Thomason, Tobin, Weinberg, Wilborn, Williams, Worthington.

The motion that Floor Amendment No. 4 to **SB 315** be laid on the table was agreed to.

SB 341, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved the adoption of the Floor Amendment No. 3 to **SB 341.**

Representative Barrows inquired as to whether Floor Amendment No. 3 to **SB 341** was germane.

The Speaker ruled Floor Amendment No. 3 to **SB 341** was not germane.

Representative Richards moved that **SB 341** be passed.

On the roll call the vote was yeas 82-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Little, Lundergan, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Patrick, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

SB 341 was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 341** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 140 with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that the Floor Amendment No. 13 to **SB 140** be read.

Representative Richards moved that his motion be withdrawn. Agreed.

Representative Riner moved the adoption of the Floor Amendment No. 14 to **SB 140.**

Representative Weinberg moved that a fiscal impact statement be attached to Floor Amendment No. 14 to **SB 140.**

Representative Weinberg moved that his motion be withdrawn. Agreed.

On the roll call the vote was yeas 45-Arnold, Bennett, Blandford, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Clapp, Clark, Crupper, Curd, Dawahare, Deskins, Ellington, Farrow, Fryman, Gray, Guenthner, Haering, Hancock, Holloway, Johnson, Jones, Layman, McKinney, McNutt, Morris, O'Brien, Patrick, Plummer, Priddy, Rapier, Rattliff, Riner, Robinson, Romines, Stone, Stumbo, Van Horn, White, Worthington, Wright, Yates. Nays 42-Adams, Barrows, Bendl, Blair, Blythe, Cawood, Clarke, Craddock, Cyrus, Davenport, Donnermeyer, Dunn, Foster, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McBee, Moberly, Nett, Noe, Petty, Richards, B. Richardson, P. Richardson, Schmidt, Smith, Thomas, Thomason, Tobin, Turner, Weinberg, Wilborn, Williams.

Floor Amendment No. 14 to **SB 140** was adopted.

Representative Richards moved the adoption of the Floor Amendment No. 3 to **SB 140.**

Speaker Pro Tempore presiding.

Representative Clapp moved that the House adjourn until 10:00 a.m., Monday, March 31, 1980.

Speaker Kenton presiding.

On the roll call the vote was yeas 42-Adams, Barrows, Blandford, Boswell, Bronger, Clapp, Clarke, Davenport, Dawahare, Deskins, Farrow, Foster, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Holbrook, Johnson, Kidd, Layman, List, Little, Mann, McBee, McKinney, Moberly, Nett, Noe, Patrick, Plummer, Rattliff, P. Richardson, Smith, Stone, Stumbo, Thomas, Turner, White, Williams, Wright. Nays 47-Arnold, Bendl, Bennett, Blythe, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Freibert, Hancock, Hines, Holloway, Isler, Jones, Kenton, Lundergan, May, McNutt, Morris, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, Riner, Robinson, Romines, Schmidt, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Worthington, Yates.

The motion that the House adjourn was rejected.

Representative Richards moved the adoption of the Floor Amendment No. 3 to **SB 140.**

Representative Deskins moved that Floor Amendment No. 3 to **SB 140** be laid on the table.

On the roll call the vote was yeas 44-Adams, Barrows, Bendl, Bennett, Blandford, Brown, Bruce, Cawood, Clarke, Craddock, Deskins, Donnermeyer, Dunn, Foster, Gray, Guenthner, Head, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, List, Little, Mann, May, McBee, Moberly, Morris, Nett, Noe, Petty, B. Richardson, Schmidt, Smith, Stumbo, Thomas, Thomason, Tobin, Weinberg, White, Wilborn, Williams. Nays 38-Arnold, Blythe, Boswell, Brinkley, Bronger, Burch, Burnette, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, Ellington, Farrow, Freibert, Fryman, Haering, Hancock, Johnson, Jones, Layman, McKinney, McNutt, O'Brien, Patrick, Plummer, Priddy, Richards, Riner, Robinson, Romines, Stone, Turner, Van Horn, Worthington, Wright, Yates.

Floor Amendment No. 3 to **SB 140** was laid on the table.

Representative B. Richardson moved that the rules be suspended to consider a discharge petition on **SB 139.** Agreed.

Representative Brown moved that **SB 139** be taken from Committee and placed in Orders of the Day for March 31, 1980.

Representative Clapp moved that the House adjourn until 10:00 a.m., Monday, March 31, 1980.

On the roll call the vote was yeas 35-Adams, Barrows, Blandford, Blythe, Clapp, Clarke, Craddock, Curd, Freibert, Fryman, Guenthner, Haering, Head, Hines, Holbrook, Jones, Kidd, Layman, List, Mann, McBee, Morris, Nett, Noe, Patrick, Petty, Plummer, Richards, B. Richardson, P. Richardson, Stumbo, Thomas, Turner, Wilborn, Wright. Nays 38-Arnold, Bendl, Bennett, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Crupper, Dawahare, Deskins, Dunn, Farrow, Gray, Hancock, Holloway, Isler, Johnson, Kenton, Little, May, McKinney, Moberly, O'Brien, Priddy, Rapier, Riner, Romines, Schmidt, Smith, Thomason, Tobin, Van Horn, Weinberg, Worthington, Yates.

The motion that the House adjourn was rejected.

On the roll call the vote was yeas 49-Bendl, Bennett, Boswell, Bronger, Brown, Bruce, Burch, Cawood, Craddock, Crupper, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Gray, Guenthner, Head, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, Layman, Little, May, McKinney, Moberly, Noe, Patrick, Petty, Plummer, Priddy, Rapier, Riner, Romines, Smith, Stumbo, Thomas, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 9-Caldwell, Clarke, Freibert, Jones, List, Mann, B. Richardson, Thomason, Wilborn.

The motion that **SB 139** be discharged from the Committee on Appropriations and Revenue and placed in Orders of the Day for March 31, 1980 was rejected.

Senate Message

Announcing passage of **HB 532** with Senate Amendments and **HB 931** with Senate Amendment.

Orders of the Day (continued)

Representative Tobin moved that the vote on **SB 236** be reconsidered.

Representative Bronger moved that the House adjourn until 10:00 a.m., Monday, March 31, 1980.

On the roll call the vote was yeas 25-Barrows, Bronger, Clarke, Crupper, Cyrus, Dawahare, Fryman, Guenthner, Head, Hines, Layman, List, McBee, McKinney, Moberly, Noe, Patrick, Rapier, P. Richardson, Smith, Stumbo, Thomas, Turner, Williams, Wright. Nays 40-Arnold, Bendl, Bennett, Blythe, Boswell, Brinkley, Brown, Burch, Caldwell, Cawood, Craddock, Dunn, Farrow, Freibert, Hancock, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Little, Lundergan, Mann, May, McNutt, Morris, O'Brien, Priddy, Richards, B. Richardson, Riner, Romines, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Worthington, Yates.

The motion to adjourn was rejected.

Representative B. Richardson moved that no other business be conducted on this day other than Senate Message.

The Chair ruled the motion out of order.

On the roll call the vote was yeas 36-Adams, Arnold, Bendl, Bennett, Blythe, Bronger, Burch, Caldwell, Clarke, Craddock, Donnermeyer, Dunn, Freibert, Guenthner, Hancock, Holloway, Isler, Kenton, Kidd, Lundergan, Mann, McNutt, Morris, Nett, O'Brien, Petty, Priddy, Richards, B. Richardson, Romines, Schmidt, Thomas, Tobin, Turner, Wright, Yates. Nays 27-Barrows, Boswell, Brown, Cawood, Crupper, Dawahare, Farrow, Fryman, Head, Hines, Holbrook, Jones, Layman, List, Little, May, McKinney, Moberly, Noe, Patrick, Rapier, Smith, Thomason, Van Horn, Weinberg, White, Worthington.

The motion that the vote on **SB 236** be reconsidered was adopted.

Representative B. Richardson moved that **SB 236** be placed in Orders of the Day. Agreed.

SB 236, as amended by Committee Amendment No. 1, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative Tobin moved that **SB 236** be passed.

Representative Noe inquired whether **SB 236** could be considered twice in the same legislative day.

The Speaker ruled, this was in order.

Representative Noe moved that **SB 236** be postponed indefinitely.

Representative Weinberg moved that the House adjourn until 10:00 a.m., Monday, March 31, 1980.

On the roll call the vote was yeas 28-Barrows, Boswell, Cawood, Crupper, Dawahare, Farrow, Fryman, Head, Hines, Layman, List, Little, May, McBee, McKinney, Moberly, Noe, Patrick, Rapier, P. Richardson, Smith, Thomas, Thomason, Turner, Weinberg, White, Williams, Worthington. Nays 36-Adams, Arnold, Bendl, Bennett, Blythe, Bronger, Bruce, Burch, Caldwell, Craddock, Donnermeyer, Dunn, Freibert, Guenthner, Hancock, Holbrook, Holloway, Isler, Jones, Kenton, Lundergan, Mann, McNutt, Morris, Nett, Petty, Priddy, Richards, B. Richardson, Romines, Schmidt, Stumbo, Tobin, Van Horn, Wilborn, Yates.

The motion that the House adjourn was rejected.

Representative Noe moved that **SB 236** be placed first in Orders of the Day for Monday, March 31, 1980.

On the roll call the vote was yeas 59-Adams, Arnold, Barrows, Bendl, Bennett, Blythe, Boswell, Brinkley, Brown, Bruce, Cawood, Clarke, Craddock, Crupper, Dawahare, Donnermeyer, Farrow, Freibert, Fryman, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Layman, List, Little, Lundergan, Mann, May, McBee, McKinney, Moberly, Morris, Noe, O'Brien, Patrick, Petty, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Schmidt, Smith, Stumbo, Thomas, Thomason, Tobin, Turner, Weinberg, White, Wilborn, Williams, Worthington. Nays 9-Bronger, Burch, Caldwell, Dunn, Nett, Priddy, Romines, Van Horn, Yates.

The motion that **SB 236** be placed first in Orders of the Day, Monday, March, 31, 1980 was adopted.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 1 to **SB 299,** by Representative Nett:

Amend printed copy of **SB 299,** page 1, line 18, after the period insert the following:

"Section 2. KRS 160.280 is amended to read as follows:
(1) Members of boards of education shall receive no salaries, but members of boards of education may receive a per diem of twenty dollars ($20) in any calendar year, and their actual expenses for each regular or special meeting attended[, except in counties containing a city of the first class wherein a merger

pursuant to KRS 160.041 shall have been accomplished and members elected from the divisions and in the manner prescribed by KRS 160.210(3), shall receive a per diem of forty dollars ($40), and may be reimbursed for other actual and necessary expenditures incurred in the district in the performance of their duties authorized by the board]. In no case shall the expenses incurred within the district or per diem of any member exceed four hundred dollars ($400) in any calendar year[, except in counties containing a city of the first class wherein a merger pursuant to KRS 160.041 shall have been accomplished and members elected from the divisions and in the manner prescribed by KRS 160.210]. Members of boards of education may be reimbursed for actual and necessary expenditures incurred outside the district in the performance of their duties authorized by the board. *All claims shall be made out according to law and filed with the secretary of the board and shall be approved and paid as other claims against the board.*

(2) In counties containing a city of the first class wherein a merger pursuant to KRS 160.041 shall have been accomplished and members elected from the divisions and in the manner prescribed by KRS 160.210(3), board members shall receive a per diem of forty dollars ($40) for each regular and special meeting attended, and may be reimbursed for other actual and necessary expenditures incurred in the district in the performance of their duties as authorized by the board. In no case shall the expenses incurred within the district or per diem of any member exceed *three thousand dollars ($3,000)* [one thousand dollars ($1,000)] per calendar year. *Members of the boards of education may be reimbursed for actual and necessary expenditures incurred outside the district in the performance of their duties.* All claims shall be made out according to law and filed with the secretary of the board and shall be approved and paid as other claims against the board."

Floor Title Amendment to **SB 299,** by Representative Nett:

Amend printed copy of **SB 299,** in the title delete the words "educational employes" and insert the word "education".

Floor Amendment No. 4 to **SB 236,** by Representative Gray:

Amend printed copy of **SB 236,** on page 32, by deleting lines 18 through 26 in their entirety.

Page 33, by deleting lines 1 through 5 in their entirety, and by renumbering the following sections accordingly.

Floor Amendment No. 5 to **SB 236,** by Representative Noe:

Amend printed copy of **SB 236,** page 78, after line 13, by adding the following: "An emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor."

Floor Amendment No. 6 to **SB 236,** by Representative Williams:

Amend printed copy of **SB 236,** by inserting following said line the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 237 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Firearm" means any weapon (including a starter gun) which will or is designed to or may readily be converted to expel a projectile by the action of an explosive; the frame or receiver of any such weapon.

(2) "Handgun" means any pistol or revolver originally designed to be fired by the use of a single hand and which is designed to fire or capable of firing fixed cartridge ammunition, or any other firearm originally designed to be fired by the use of a single hand.

(3) "Firearms dealer" means any person licensed by the United States Treasury Department pursuant to the Gun Control Act of 1968, as amended, as a firearms manufacturer, importer, pawnbroker, or dealer.

SECTION 3. A NEW SECTION OF KRS CHAPTER 237 IS CREATED TO READ AS FOLLOWS:

Every person who, after the effective date of this Act, desires to acquire a handgun shall, prior to the delivery of any handgun to him, have in his possession a valid handgun purchase permit as required by this Act and shall exhibit the same to the firearms dealer or other person from whom he is acquiring the handgun.

SECTION 4. A NEW SECTION OF KRS CHAPTER 237 IS CREATED TO READ AS FOLLOWS:

(1) The department of justice shall design, print, and distribute to county clerks the handgun purchase permits which are required by this Act. Each permit shall be serially numbered and insofar as possible not be subject to reproduction or duplication.

(2) The department of justice shall design, print, and distribute to county clerks application forms for handgun purchase permits which shall contain the following information and no other:

(a) The applicant's full name;

(b) His current residence address;

(c) His place of birth and date of birth;

(d) His two (2) prior residence addresses;

(e) His height, weight, and color of eyes;

(f) His marital status;

(g) His employment status (limited to employed? unemployed?); or retired?

(h) His highest level of formal education; and

(i) His social security number.

(3) The application form shall require the applicant to make answer to the following questions with a written answer of "yes" or a written answer of "no" as appropriate:

(a) "Are you under indictment for, or have you been convicted by a court of the United States or of any state or any political subdivision thereof of a felony or a crime punishable by imprisonment for a term exceeding one (1) year?"

(b) "Are you a fugitive from justice?"

(c) "Have you been adjudged by a court of the United States or of a state or a political subdivision thereof as being mentally incompetent or have you been committed to any mental institution?"

(d) "Are you an unlawful user of or addicted to marijuana or any depressant or stimulant drug (as defined in Section 201(v) of the Federal Food, Drug, and Cosmetic Act) or narcotic drug (as defined in Section 4731(a) of the Internal Revenue Code of 1954)?"

(e) "Being a citizen of the United States, have you ever renounced your citizenship?"

(f) "Being an alien, are you illegally or unlawfully in the United States?"

(g) "Have you ever been discharged from the Armed Forces of the United States under dishonorable conditions?"

(4) The application form shall include a suitable warning describing the penalties for making an incomplete application or for falsifying information on the application and a verification, to be made under oath, that the information contained thereon is complete, true, and correct.

(5) The application form shall contain spaces for the date on which the application is made and for the signatures of the applicant and the county clerk or his deputy.

(6) After the applicant has completed the form, except for his signature, the county clerk or his deputy shall then administer the oath to the effect that the information is complete, true, and correct, after which the applicant and the county clerk or his deputy shall sign the application form.

SECTION 5. A NEW SECTION OF KRS CHAPTER 237 IS CREATED TO READ AS FOLLOWS:

(1) No county clerk shall deliver a handgun owner permit to a person who:

(a) Is under indictment for, or has been convicted by a court of the United States or of a state or any political subdivision thereof of a felony or a crime punishable by imprisonment for a term exceeding one (1) year; or

(b) Is a fugitive from justice; or

(c) Has been adjudged by a court of the United States or of a state or a political subdivision thereof as being mentally incompetent or has been committed to any mental institution; or

(d) Is an unlawful user of or addicted to marijuana or any depressant or stimulant drug (as defined in Section 201(v) of the Federal Food, Drug, and Cosmetic Act) or narcotic drug (as defined in Section 4731(a) of the Internal Revenue Code of 1954); or

(e) Having been a citizen of the United States has renounced his citizenship; or

(f) Being an alien is illegally or unlawfully in the United States; or

(g) Has been discharged from the Armed Forces of the United States under dishonorable conditions; or

(h) Is less than twenty-one (21) years of age.

(2) A properly executed application form, duly subscribed and sworn by the applicant, showing on its face no evidence that the applicant is not in a prohibited class as shown above, shall be sufficient evidence upon which the clerk shall issue a handgun owner permit to the applicant.

(3) A handgun owner permit shall also be issued to any person who, even though he is in a prohibited class as shown above displays to the clerk evidence that he has been granted relief by the Secretary of the Treasury of the United States pursuant to Title 18 United States Code, Chapter 44, Section 925, with respect to that particular prohibition.

SECTION 6. A NEW SECTION OF KRS CHAPTER 237 IS CREATED TO READ AS FOLLOWS:

(1) A handgun purchase permit shall remain valid from the time of issuance until such time as its holder becomes a member of a prohibited class listed in Section 4 of this Act at which time the permit shall stand revoked.

(2) If a person to whom a handgun purchase permit has been issued becomes a member of a prohibited class he shall, within three (3) days surrender or cause the surrender of the permit to the county clerk of the county in which it was issued or to the county clerk of the county of which he is a resident unless he is physically unable to do so.

(3) A handgun purchase permit shall authorize its holder to purchase one (1) or more handguns at any time and at any location within the Commonwealth as long as the purchase otherwise meets the requirements of federal and state law and local ordinances.

(4) A handgun purchase permit shall not be transferrable.

(5) A handgun purchase permit shall not authorize the holder thereof to carry concealed deadly weapons in violation of KRS Chapter 527 or to do any other act than to purchase handguns.

(6) The fee for issuance of a handgun purchase permit shall be three dollars ($3.00). The county clerk shall retain one dollar and fifty cents ($1.50) as his fee and shall remit one dollar and fifty cents ($1.50) to the state treasurer who shall place all receipts in the general fund of the Commonwealth.

(7) All applications for issuance of handgun purchase permits and all records of the issuance of such permits shall be retained by the county clerk until such time as he shall receive notice of the death of the permit holder or for a period of one hundred (100) years, whichever shall occur first. All applications for and other records of the issuance of such permits shall be confidential and shall not be disclosed except to a law enforcement officer with a search warrant or to a court upon issuance of an appropriate court order. Each warrant or court order shall authorize the disclosure of records on only one (1) permit holder and no warrant or court order shall authorize the disclosure of the entire list or any portion thereof greater than one (1) permit holder's name, date of issuance of the permit, and the application for that single permit.

SECTION 7. A NEW SECTION OF KRS CHAPTER 237 IS CREATED TO READ AS FOLLOWS:

(1) Purchases of handguns by a corporation shall be made by an officer or employe of the corporation designated in writing to do so. Said officer or employe shall have a valid handgun purchase permit as required by this Act.

(2) The provisions of this Act shall not apply to:

(a) Purchases of handguns for official use by the United States government or an agency thereof; the Commonwealth of Kentucky or an agency or political subdivision thereof; or

(b) Purchases of handguns in the normal course of business by a firearms dealer;

(c) Purchases of handguns (including any handgun with a matchlock, flintlock, percussion cap, or similar type of ignition system) manufactured in or before 1898; and any replica of such a handgun if such replica is not designed or redesigned for using rimfire or conventional centerfire fixed ammunition or uses rimfire or conventional centerfire fixed ammunition which is no longer manufactured in the United States and which is not readily available in the ordinary channels of commercial trade.

SECTION 8. A NEW SECTION OF KRS CHAPTER 237 IS CREATED TO READ AS FOLLOWS:

(1) No person shall:

(a) Purchase, attempt to purchase, or otherwise acquire, or attempt to acquire a handgun without first displaying to the firearms dealer or other person from whom he is acquiring the handgun a valid handgun purchase permit which has been issued to him pursuant to this Act; or

(b) Sell or otherwise dispose of a handgun to any person unless he has first displayed the hundgun purchase permit required by Act; or

(c) Procure or attempt to procure a handgun purchase permit through fraud, bribery, or other illegal means; or

(d) Give false, misleading, inaccurate, or incomplete information on any application for a handgun purchase permit; or

(e) Display any false, altered, or fraudulent document in connection with obtaining an application for a handgun purchase permit or in the acquisition or attempted acquisition of a handgun; or

(f) Fail to surrender a handgun purchase permit as required by Section 5 of this Act or to surrender it within the time limit specified therein.

(2) No county clerk or deputy clerk shall:

(a) Issue a handgun purchase permit unless the applicant has fully complied with the provisions of this Act; or

(b) Issue a handgun purchase permit to any applicant if he has personal knowledge that the applicant is in a prohibited class as defined in Section 4 of this Act and who has not been granted relief by the Secretary of the Treasury of the United States as provided in Section 4 of this Act; or

(c) Permit the inspection of any records relating to handgun purchase permits or applications therefor by any person, except as provided in Section 5 of this Act.

Section 9. KRS 237.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 237.030 to 237.050 shall be imprisoned in the penitentiary for not less than one (1) nor more than five (5) years, or punished by a fine of not more than one thousand dollars ($1,000), or both.

(2) Any person, including a county clerk or deputy clerk, who violates any of the provisions of this Act shall for the first offense be guilty of a Class A misdemeanor and shall, for any subsequent offense be guilty of a Class D felony."

Floor Amendment No. 2 to **SB 299,** by Representative Bennett:

Amend printed copy of **SB 299,** page 1, below line 18, by adding the following:

"Section 2. There is hereby appropriated to the capital construction fund from the general fund of the Commonwealth the sum of $1,400,000 for the sole purpose of construction of an auditorium/classroom wing at Jefferson Community College Southwest."

Floor Title Amendment No. 2 to **SB 299,** by Representative Bennett:

Amend printed copy of **SB 299,** page 1, title, amend the title by deleting "educational employes" and by inserting in lieu thereof "education and making an appropriation therefor"

Floor Amendment No. 7 to **SB 236,** by Representative Dawahare:

Amend printed copy of **SB 236,** page 78, lines 9, 10, 11, 12 and 13, after "Section 71." by deleting the remaining language on lines 9, 10, 11, 12, and 13, and inserting in lieu thereof:

"It is the intention of the General Assembly that from the effective date of this Act, until the 1982 regular session of the General Assembly,

(1) The departments of transportation, justice, revenue, insurance, and finance, together with the county clerks, auto dealers, recyclers, and lending institutions, in conjunction with the legislative program review and investigations committee, shall consider the feasibility of implementation of the automated system provided for by this Act.

(2) The consideration provided for in subsection (1) of this section shall include consideration of the feasibility of implementing the automated system on a statewide basis.

(3) The legislative program review and investigations committee shall hold meetings, to which it invites representatives of the parties indicated in subsection (1) of this section, not less than quarterly, and prepare interim progress reports on implementation of the automated system provided for by this Act.

(4) The legislative program review and investigations committee shall gather data pertaining to the fiscal impact of the automated system and prepare a final report on implementation of the system in conjunction with the parties indicated in subsection (1) of this section, for submission to the 1982 regular session of the General Assembly."

and by inserting at the end of Section 71 the following:

"Section 72. The absence of a specific appropriation regarding this Act is not an expression of a desire to delay implementation of the automated system provided for by this Act nor to prevent the application of funds to it, but is a reflection of the difficult fiscal circumstances facing the Commonwealth at the time of this enactment, accordingly:

(1) The secretary of finance and the governor shall make a diligent effort to locate funds for use in expeditious implementation of the automated system provided for by this Act, giving appropriate consideration to proration of costs among the various state agency users of the system, and shall report their progress not less than quarterly to parties listed in Section 71(1) of this Act. No funds for the implementation of this section shall be taken from any appropriation to the Kentucky School Building Authority.

(2) Funds made available for implementation of the automated system provided for by this Act shall not be drawn from the road fund.

(3) The governor and the secretary of finance are empowered to, and shall, apply such funds as they determine to be available to the expeditious implementation of the automated system provided for this Act."

Floor Title Amendment No. 3 to **SB 236,** by Representative Williams:

Amend printed copy of **SB 236,** page 1, by amending the title thereof to read as follows:

"AN ACT relating to the registration of motor vehicle, trailer and firearm registration, titling and theft and making an appropriation therefor."

Floor Title Amendment to **SB 235,** by Representative Brown:

Amend printed copy of **SB 235,** title, amend the title by deleting "county clerk" and inserting in lieu thereof "public officers and employes"

Floor Amendment No. 2 to **SB 235,** by Representative Brown:

Amend printed copy of **SB 235,** on page 1, before line 1, by adding the following:

"SECTION 1. A NEW SECTION OF KRS CHAPTER 16 IS CREATED TO READ AS FOLLOWS:

The bureau of state police shall permit payroll deduction of dues to the Kentucky State Police Professional Association when authorized in writing by the employe requesting the payroll deduction."

and on page 1, line 1, by deleting "Section 1" and inserting in lieu thereof "Section 2"

and on page 7, line 17, by deleting "Section 2" and inserting in lieu thereof "Section 3"

Floor Amendment No. 4 to **SB 243,** by Representative Donnermeyer:

Amend printed copy of **SB 243,** page 1, delete line 1, and all of the following.

Floor Amendment No. 5 to **SB 243,** by Representative Mann:

Amend printed copy of **SB 243,** page 3, after line 13, add:

"Section 9. Whereas the roads of Kentucky are exceptionally littered, an emergency is hereby declared to exist. This Act shall become effective upon its passage and approval by the Governor."

Floor Title Amendment No. 4 to **SB 236,** by Representative Mann:

Amend printed copy of **SB 236,** title, "AN ACT relating to motor vehicle and trailer registration, titling and theft, auto emission inspection and maintenance and making an appropriation therefor."

Floor Amendment No. 8 to **SB 236,** by Representative Mann:

Amend printed copy of **SB 236,** page 78, after line 13, add:

"Section 72. That the General Assembly expresses its concern that the Commonwealth comply with the requirements of the federal clean air act (P.L. 95-95) in order to protect the health of its citizens and to allow for further economic growth and development in those areas designated nonattainment for auto-related pollutants.

Section 73. That it is the intent of the General Assembly to enable the establishment and enforcement of an automobile emission inspection and maintenance program and other auto pollution control strategies in counties designated nonattainment for such pollutants which are part of urbanized areas with populations greater than two hundred thousand (200,000) by December 31, 1982, as necessary to qualify for extensions available under the federal clean air act for meeting ambient air quality standards.

Section 74. That the Legislative Research Commission be directed to appoint a special subcommittee on auto emission pollution with membership from both houses of the legislature. The subcommittee shall consist of fifteen (15) members, with ten (10) members appointed from among those legislators representing Jefferson county and five (5) members from among those representing Boone, Kenton, and Campbell counties.

Section 75. That the special subcommittee shall work in conjunction with the departments for natural resources and environmental protection and all other interested persons to enable the Commonwealth to achieve compliance with the requirements of the federal clean air act for automotive pollutants in areas designated nonattainment by the U.S. EPA for said pollutants which are part of urbanized areas with a population greater than two hundred thousand (200,000).

Section 76. That any regulation promulgated by the department for natural resources and environmental protection relating to an automobile emission inspection program shall be implemented and enforced unless said regulation is disapproved by the special subcommittee. Any action by the department to implement and enforce regulations relating to an automobile emission inspection program in the event of the disapproval of the special subcommittee would be contrary to the intent of the General Assembly.

Section 77. It is estimated that the operation of the subcommittee and the provision of staff services will cost approximately seven thousand dollars ($7,000), such monies to be provided from the regular budget of the Legislative Research Commission."

Floor Amendment No. 15 to **SB 140,** by Representative Richards:

Amend printed copy of **SB 140,** page 1, line 13, by inserting the word "*October*" after "by" and placing brackets around "September";

And on page 1, line 17, by inserting the word "*October*" after "by" and placing brackets around "September";

And on page 1, lines 20 and 21, by placing brackets before "during" and after "1978-79" and inserting the following in lieu thereof: "*and shall be six (6) years of age by December 31*";

And on page 1, line 21, by placing brackets before the following: "for the school year";

And on page 2, line 1, by deleting "*1980-81*" and placing a bracket after "1979-80";

And on page 2, line 2, by adding the following after the word "section": "*, and any child who has attended nursery school and will be five years of age on or before December 31 shall be eligible for enrollment in a public kindergarten program.*"

Representative B. Richardson moved that when the House adjourns, it do so until 10:00 a.m., Monday, March 31, 1980. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so by voice vote. Agreed.

Representative B. Richardson moved that no other business be conducted on this day other than one resolution and Senate Messages.

Recess

Representative B. Richardson moved that the House recess for fifteen minutes. Agreed.

Speaker Kenton presiding.

Adjournment

Representative Brinkley moved that the House adjourn until 10:00 a.m., Monday, March 31, 1980.

The motion to adjourn was adopted by voice vote.

MONDAY, MARCH 31, 1980

FIFTY-SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Reverend Dennis Jones, First Presbyterian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Pearman.

Representative Isler moved that absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 29, 1980, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **HB 514, HB 400, HB 597, HB 652, HB 918, HB 653, HB 699, HB 426, HB 954, HB 644, HB 456, HB 913, HB 593, HB 163, HB 692, HB 669, HB 833, HB 445, HB 414, HB 721, HB 733, HB 779, HB 823, HB 859, HB 821, HB 834, HB 580, HB 662, HB 767, HB 747, HB 853, HB 574, HB 624, HB 251** with Senate Amendment, **HB 875** with Senate Amendment, **HB 659** with Senate Amendment, **HB 14** with Senate Amendments, **HB 793** with Senate Amendment, **HB 863** with Senate Amendments, **HB 858** with Senate Amendments, **HB 363** with Senate Amendment, **HB 91** with Senate Amendments, **HB 245** with Senate Amendments, **HB 969**, with Senate Amendments, **HB 631** with Senate Amendments, **HB 757** with Senate Amendment, **HB 874** with Senate Amendment, **HB 583** with Senate Amendment, **HB 638** with Senate Amendment, **HB 395** with Senate Amendments, **HR 105, HR 81, HR 21, HR 83, HR 6, HR 88, HB 275** with Senate Amendment.

Report on Enrolled Bills

The Committee on Enrollment reported **SR 54, SB 72, SB 181, SB 214, SB 239, SB 275, SB 295, SB 298, SB 311, SB 327, SB 329, SB 349,** and **SB 353** had been examined and found correctly enrolled. Said bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Recess

Representative B. Richardson moved that the House recess until 11:30 a.m.

On the roll call the vote was yeas 44-Adams, Barrows, Bendl, Blandford, Brinkley, Bronger, Bruce, Burnette, Craddock, Crupper, Curd, Cyrus, DeFalaise, DeMarcus, Donnermeyer, Ellington, Farrow, Freibert, Hancock, Holbrook, Holloway, Isler, Kenton, Little, Mann, Maynard, McBee, Moberly, Noe, O'Brien, Petty, Priddy, Rapier, Reynolds, B. Richardson, P. Richardson, Sale, Smith, Stone, Stumbo, Turner, Van Horn, Weinberg, Worthington. Nays 4-Fryman, LeMaster, Robinson, Romines.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Recess

Representative B. Richardson moved that the House recess until 12:30 p.m.

On the roll call the vote was yeas 20-Blandford, Boswell, Brinkley, Bruce, Cawood, Donnermeyer, Farrow, Foster, Isler, Kenton, Maynard, Morris, Petty, B. Richardson, Stone, Stumbo, Tobin, Van Horn, Weinberg, Wilborn. Nays 5-Caldwell, Holbrook, List, Overstreet, Rattliff.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 721, HB 859, HB 593, HB 644, HB 834, HB 580, HB 574, HB 767, HB 514, HB 699, HB 400, HB 669, HB 747, HB 426, HB 692, HB 163, HB 853, HB 662, HB 456, HB 823, HB 833, HB 337, HB 587, HB 970, HB 972, HB 624, HB 733, HB 653, HB 918, HB 821, HB 445, HB 779, HB 652, HB 597, HB 954, HB 414, HB 913, HR 81, HR 83, HR 88, HR 105, HR 6, HR 21, SB 65, SB 68, SB 195, SB 213, SB 233, SB 242, SB 278, SB 288, SB 291, SB 299, SB 308, SB 309, SB 323, SB 341, SB 347, SB 348, SB 363, SB 368, SB 371, SB 383, SR 18,** and **SR 23** had been examined and found correctly enrolled. Said bills and resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 721, HB 859, HB 593, HB 644, HB 834, HB 580, HB 574, HB 767, HB 514, HB 699, HB 400, HB 669, HB 747, HB 426, HB 692, HB 163, HB 853, HB 662, HB 456, HB 823, HB 833, HB 337, HB 587, HB 970, HB 972, HB 624, HB 733, HB 653, HB 918, HB 821, HB 445, HB 779, HB 652, HB 597, HB 954, HB 414, HB 913, HR 81, HR 83, HR 88, HR 105, HR 6 and **HR 21** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Senate Message

The following letter was received in regard to **SB 247:** "The Senate has refused to concur in House Amendment to **SB 247** and respectfully requests that this Honorable Body recede from its amendment."

The following letter was received in regard to **SB 32:** "The Senate has refused to concur in House Amendment to **SB 32** and respectfully requests this Honorable Body to recede from its amendment."

Representative B. Richardson moved that the rules be suspended for consideration of Resolutions and Legislative Citations. Agreed.

Introduction of Resolution

HR 138, by Representatives Blair and Holbrook: A RESOLUTION honoring Alice Samuels.

Representative Blair moved the adoption of the following **HR 138:**

HR 138, A RESOLUTION honoring Alice Samuels.

WHEREAS, Alice Samuels has served the members of this House for several sessions; and

WHEREAS, the beautiful spirit of Alice Samuels has touched all those who know and work with her; and

WHEREAS, Alice Samuels has the rare talent to express in writing the sentiments of the requests given by the members of this House; and

WHEREAS, Alice Samuels brings an extraordinary dedication and willingness to her work; and

WHEREAS, Alice Samuels offers a great testimony of her Christian faith through her daily living; NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this body expresses its deep appreciation to Alice Samuels for her extraordinary dedication.

Section 2. That the House honors Alice Samuels as a beautiful human being.

Agreed.

Representative Blair moved the adoption of the following Legislative Citation No. 90:

The House of Representatives of the Commonwealth of Kentucky hereby honors Miss Alice Samuels for your many years of dedication and untiring efforts in preparing citations for members of this body. You have served with dignity, patience, cheerfulness and in a spirit of cooperation. You will always be someone very special to the members of this body and we extend to you our very best wishes for health and happiness in the future. (Sponsored by Representative Blair)

Agreed.

Representatives Hancock and Blythe moved the adoption of the following **HR 142:**

HR 142, A RESOLUTION adjourning the House of Representatives of the General Assembly of the Commonwealth of Kentucky on Monday, March 31, 1980, in honor and memory of Paul P. Sullivan.

WHEREAS, Paul P. Sullivan departed this life on Friday, March 28, 1980; and

WHEREAS, Paul P. Sullivan was a lifelong resident of Frankfort, Kentucky, the capital city of Kentucky; and

WHEREAS, Paul P. Sullivan served, for the past fifteen years, as chairman of the board and president of the Farmers Bank and Capital Trust Company of Frankfort, Kentucky, which is the official depository of the Commonwealth of Kentucky; and

WHEREAS, in such capacity, he made many meaningful and significant contributions to the fiscal development and stability of the Commonwealth of Kentucky; and

WHEREAS, Paul P. Sullivan served as an active and forceful role in every civic project involving the capital city and the Commonwealth of Kentucky; and

WHEREAS, Paul P. Sullivan exemplified those traits of industry, honesty, energy and integrity which are the heart of the continuing tradition of greatness that exists in the Commonwealth of Kentucky; and

WHEREAS, this Commonwealth has suffered an immense loss in the passing of this outstanding citizen and servant;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its sincerest sympathy to the family of Paul P. Sullivan.

Section 2. That the House of Representatives adjourn on Monday, March 31, 1980 in honor and memory of Paul P. Sullivan.

Section 3. That copies of this resolution be sent to his beloved wife, Doris Sullivan and beloved mother, Estelle Sullivan.

HR 142 was adopted by voice vote.

Representative Hancock moved the adoption of the following Legislative Citation No. 91:

The House of Representatives of the Commonwealth of Kentucky hereby recognizes with profound compassion and sincere regrets the passing of the late Mr. Paul P. Sullivan, husband of Mrs. Doris Sullivan, and the son of Mrs. Estelle Sullivan and the late Mr. Pat Sullivan. Mr. Sullivan was one of the nation's greatest and most distinguished Bankers and an outstanding philanthropist. As President and Chairman of the Board of Directors of Farmers Bank and Capital Trust Company, his leadership was unsurpassed. He had a high standard of professionalism and displayed great competency and efficiency. His political influence was far-reaching and of ultimate esteem, for he has served as confidential counselor and friend to many Governors and Constitutional Officers of the Commonwealth of Kentucky. He loved and cherished his family. He was a devoted and active member of the Church of the Good Shepherd. His contribution to the Farmers Bank and Capital Trust Company, the Electric and Water Plant Board, Frankfort YMCA, United Way and the Capital Plaza are monumental tributes to his memory. His generosity was well displayed in his serving as a catalyst for multiple civic endeavors. As a humanitarian, he was most responsive to the needs of others and a friend of the people. This prestigious body mourns the passing of a great friend and benefactor and extends our heartfelt sympathy to the family. (Sponsored by Representative Hancock)

Agreed.

Representative B. Richardson moved that all bills in Orders of the Day be deferred notwithstanding those to be first in order of business. Agreed.

HB 931, with Senate Committee Substitute and Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Committee Substitute and Senate Amendments thereto. Agreed.

Representative B. Richardson moved that the House refuse to concur in the following Senate Committee Substitute and Senate Amendments to **HB 931;**

The Senate Committee Substitute to **HB 931** is as follows:

HB 931, AN ACT relating to appropriations for the operation, maintenance, support and functioning of the government of the Commonwealth of Kentucky and its various officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I
GENERAL FUND

There is appropriated out of the General Fund for the fiscal year ending June 30, 1980, and, including any unappropriated surplus to the General Fund as of June 30, 1980, for the fiscal year beginning July 1, 1980, and ending June 30, 1981, and, including any unappropriated surplus to the General Fund as of June 30, 1981, for the fiscal year beginning July 1, 1981, and ending June 30, 1982, the following sums for the following officers, cabinets, departments, boards, commissions, institutions, subdivisions, and agencies of the State Government, and any and all other activities of the government of the Commonwealth of Kentucky subject to the provisions of Chapters 21, 42 and 45 of the Kentucky Revised Statutes, for which a specific appropriation is in Part I listed as follows:

A. GENERAL GOVERNMENT

1. GOVERNOR

1980-81	$ 1,716,500
1981-82	$ 1,830,200

Included in the above appropriation in each year of the biennium is $18,000 for the Governor's contingent expense fund to meet additional expenses associated with the position of Governor of Kentucky as specified in KRS 64.710.

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2. LIEUTENANT GOVERNOR

1980-81	$ 431,000
1981-82	$ 468,500

Included in the above appropriation in each year of the biennium is $10,000 for the Lieutenant Governor's contingent expense fund to meet additional expenses associated with the position of Lieutenant Governor of Kentucky as specified in KRS 64.710.

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3. SECRETARY OF STATE
   a. General Operations

1980-81	$ 754,900
1981-82	$ 780,300

   b. Restoration of Land Grant Books

1980-81	$ 47,000
1981-82	$ 47,000

TOTAL - SECRETARY OF STATE

1980-81 ... $ 801,900
1981-82 ... $ 827,300

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4. BOARD OF ELECTIONS

1980-81 ... $ 1,156,300
1981-82 ... $ 1,228,600

Included in the above appropriation is $775,000 in fiscal year 1980-81 and $730,000 in fiscal year 1981-82 to pay the state's share of county election expenses (KRS 117.345) and the state's share of voter registration expenses (KRS 116.105). Any unexpended balance remaining at the close of each fiscal year shall lapse to the credit of the General Fund. Any expenses in excess of the above amounts shall be deemed a necessary governmental expense.

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5. TREASURY

1980-81 ... $ 1,002,900
1981-82 ... $ 1,045,600

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6. DEPARTMENT OF LAW

1980-81 ... $ 3,387,700
1981-82 ... $ 3,726,400

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7. AUDITOR OF PUBLIC ACCOUNTS

1980-81 ... $ 1,966,700
1981-82 ... $ 2,232,700

The Auditor of Public Accounts shall report in writing each sixty (60) days to the Interim Joint Committee on Appropriations and Revenue the progress of all state audits, together with copies of all completed audits.

No state agency shall enter into any contract with a non-governmental entity for an audit unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within thirty (30) days of receipt of a written request. The agency requesting the audit shall furnish the Auditor of Public Accounts a comprehensive statement of the scope and nature of the proposed audit.

Any expenses incurred in the auditing of federal disaster relief funds shall be deemed a necessary governmental expense.

The Auditor shall maintain a record of all time and expenses for each audit or investigation.

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8. OFFICE FOR PROGRAM ADMINISTRATION

1980-81 ... $ 314,500
1981-82 ... $ 331,400

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9. CAPITAL PLAZA

1980-81 ... $ 1,345,600
1981-82 ... $ 1,345,400

The above appropriation shall be used to offset the payment of the Debt Service of the Capital Plaza.

10.	COUNTY COSTS	1980-81	1981-82
a.	Jailer's Fees	$8,900,000	$9,000,000
b.	Base Court Revenue	5,437,600	5,437,600
c.	Sheriffs' Fees	1,525,000	1,600,000
d.	Jury Fund	3,200,000	3,200,000
e.	Witnesses	65,000	65,000
f.	Special Bailiffs	20,000	20,000
g.	Board of Assessment Appeals	50,000	50,000
h.	Fugitives from Justice	300,000	300,000
i.	Sheriffs' Expense Allowance	432,000	432,000
j.	Premium on Sheriff's Bonds	175,000	185,000
k.	County Clerks - Making Tax Bills	400,000	400,000

All county costs funded by the General Fund are deemed to be necessary governmental expenses and additional funds may be allotted from the General Fund surplus by the Secretary of the Department of Finance.

TOTAL COUNTY COSTS

1980-81	$ 20,504,600
1981-82	$ 20,689,600

11. DEPARTMENT OF FINANCE

a. State Planning Fund

1980-81	$ 2,100,000
1981-82	$ 2,100,000

Any portion of the above appropriation for the State Planning Fund may be transferred to other major program areas or agencies of state government for the purpose of funding planning activities approved by the State Planning Committee. Any unexpended balance remaining at the close of the 1980-81 fiscal year shall lapse to the credit of the General Fund.

b. General Operations

1980-81	$ 13,451,100
1981-82	$ 14,284,200

Included in the above appropriation is $150,000 each fiscal year for payment to the city of Frankfort for the provision of fire and police protection and other services for state owned property in accordance with KRS 45.155.

c. Salary Improvements for State Employees

1980-81	$ 11,800,000
1981-82	$ 31,600,000

Any portion of the above appropriation may be transferred to any major program area or agency of state government for the purpose of meeting salary and benefit improvements for state employees as determined to be needed by the Department of Finance based upon the recommendation of the Department of Personnel. All recommendations for salary and benefit improvements must be submitted by the Department of Personnel to the Department of Finance prior to the beginning of each fiscal year.

It is the intent of the General Assembly that improvement priorities shall be given to those persons with salaries below the Federal Poverty Wage Level and to those job classifications with critical recruitment and retention problems. No funds shall be used for director/commissioner positions and above. Notice of transfers of these funds shall be reported by quarterly period during each fiscal year to the Legislative Research Commission.

d. Area Development Fund

1980-81	$ 6,000,000
1981-82	$ 6,000,000

Any unexpended balance at the close of the 1980-81 fiscal year shall lapse to the credit of the General Fund.

e. Kentucky Center for the Arts - Debt Service

1981-82	$ 2,800,000

f. Local Government Economic Assistance Fund

1981-82	$ 32,825,000

The above appropriation is provided only in the event that enabling legislation for the local government economic assistance program is enacted by the 1980 General Assembly.

TOTAL - DEPARTMENT OF FINANCE

1980-81	$ 33,351,100
1981-82	$ 89,609,200

12. GENERAL OBLIGATION BONDS

a. Park Bonds

1980-81	$ 557,000
1981-82	$ 553,000

b. Veterans Bonus Bonds

1980-81	$ 7,832,000
1981-82	$ 7,838,000

c. 1965 General Purpose Bonds

1980-81	$ 2,045,000
1981-82	$ 2,045,000

TOTAL - GENERAL OBLIGATION BONDS

1980-81	$ 10,434,000

1981-82 .... $ 10,436,000

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13. COMMISSION ON HUMAN RIGHTS

1980-81 .... $ 849,400
1981-82 .... $ 887,500

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14. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1980-81 .... $ 3,178,400
1981-82 .... $ 2,760,200

Included in the above appropriation is $160,500 in fiscal year 1980-81 and $142,500 for the KEWS operations, and an additional $600,000 for the purchase of radio equipment in fiscal year 1980-81.

Any expenditures of funds as a result of the governor's call of the Kentucky National Guard to active duty is hereby declared to be a necessary governmental expense provided, however, that an emergency situation shall have been directed to exist by the Governor.

b. Disaster and Emergency Services

1979-80 .... $ 60,000
1980-81 .... $ 2,060,000
1981-82 .... $ 2,000,000

Included in the above appropriation is $60,000 in fiscal year 1979-80 for expenses incurred by the Division of Disaster and Emergency Services as a result of the July, 1979 flood.

Included in the above appropriation is $500,000 in fiscal year 1980-81 and $500,000 in fiscal year 1981-82 for emergency expenses incurred by the Division of Disaster and Emergency Services for disasters and emergencies. These funds may only be expended at the recommendation of the Adjutant General to the Governor. Included in the above appropriation is $246,000 in fiscal year 1980-81 and $214,000 in fiscal year 1981-82 for the KEWS operations.

Included in the above appropriation is $125,000 in fiscal year 1980-81 for payment of the state's share of the cost of the Individual and Family Grant program to the Federal government. This payment provides benefits to those individuals affected by the July, 1979 flood.

TOTAL - DEPARTMENT OF MILITARY AFFAIRS

1979-80 .... $ 60,000
1980-81 .... $ 5,238,400
1981-82 .... $ 4,760,200

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15. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

a. Kentucky Athletic Commission

1980-81 .... $ 52,800
1981-82 .... $ 51,500

b. Board of Proprietary Education

1980-81 .... $ 10,000
1981-82 .... $ 10,000

The functions and appropriations of the agency are transferred within the Department of Finance under the Division of Occupations and Professions.

TOTAL - OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

1980-81 .... $ 62,800
1981-82 .... $ 61,500

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16. DEPARTMENT OF PERSONNEL

1980-81 .... $ 3,000,000
1981-82 .... $ 3,200,000

Included in the above appropriation is $100,000 in fiscal year 1980-81 and $125,000 in fiscal year 1981-82 for an Automobile Liability Reimbursement program to be administered by the Department of Personnel.

Notwithstanding the provisions of KRS 18.330, the above appropriations are to be used for the prorata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for all departments, commissions, boards, or other agencies which receive support from the General Fund or Revolving Trust and Agency Funds. Said appropriations may also be used for special training programs approved by the Secretary of the Department of Finance.

Relative to merit hearings before the Personnel Board, the particular agency of which the complainant is or was an employee shall bear all of the administrative costs thereof whenever the Personnel Board rules in favor of the complainant, such as for example, but not limited to, the fees of court reporters, the printing or other reproduction expenses related to hearing transcripts, and other related matters. Relative to all appeals resulting from merit hearings of the Personnel Board, including appeals to the Circuit Court, Court of Appeals, or the Supreme Court, the particular agency of which the complainant in said hearing is or was an employee shall bear all of the costs thereof whenever the courts rule in favor of the complainant, chargeable to the Personnel Board, such as for example, but not limited to, legal fees and court costs and fees.

17. DEPARTMENT OF PUBLIC INFORMATION

1980-81	$ 1,817,300
1981-82	$ 1,864,200

Included in the above appropriation is $250,000 in 1980-1981 and $250,000 in 1981-1982 for expenditure by the Commissioner of the Department of Public Information for the purpose of promoting the social, cultural, and creative features of the Commonwealth of Kentucky.

18. DEPARTMENT OF REVENUE

1980-81	$ 27,684,600
1981-82	$ 29,086,200

Included in the above appropriation is $9,880,400 in fiscal year 1980-81 and $10,514,200 in fiscal year 1981-82 for property valuation administrators; any expenses in excess of these amounts for property valuation administrators shall be deemed necessary governmental expenses.

19. FINANCIAL DISCLOSURE REVIEW COMMISSION

1980-81	$ 25,000
1981-82	$ 25,000

20. KENTUCKY PUBLIC EMPLOYEE DEFERRED COMPENSATION SYSTEM

1980-81	$ -0
1981-82	$ -0

21. COMMISSION ON WOMEN

1980-81	$ 112,600
1981-82	$ 114,200

22. UNIFIED PROSECUTORIAL SYSTEM

a. Commonwealth Attorneys

1980-81	$ 5,993,400
1981-82	$ 6,405,400

Included in the above appropriation is $83,400 in each fiscal year for medical assistance to rape victims paid through the Commonwealth Attorney's office and $115,000 in fiscal year 1980-81 and $174,000 in fiscal year 1981-82 for the Economic Crime Unit in the Jefferson County Commonwealth Attorney's office.

b. County Attorneys

1980-81	$ 6,105,000
1981-82	$ 6,476,000

TOTAL - UNIFIED PROSECUTORIAL SYSTEM

1980-81	$ 12,098,400
1981-82	$ 12,881,400

Notwithstanding other statutory provisions to the contrary, the above appropriation includes a maximum 6% salary increase for elected officials and 5% for staff persons each fiscal year.

23. KENTUCKY HORSE COUNCIL

1980-81	$ 50,000
1981-82	$ 50,000

The operations and appropriations of the Kentucky Horse Council are transferred to the Kentucky Horse Park in order to coordinate the equestrian activities of the Commonwealth.

24. BOARD OF CLAIMS/CRIME VICTIMS COMPENSATION BOARD

1980-81	$ 805,800
1981-82	$ 820,000

25. CANCER COMMISSION

1980-81	$ 100,000
1981-82	$ 100,000

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26. APPROPRIATIONS NOT OTHERWISE CLASSIFIED

a. Board of Claims Awards

1980-81	$ 95,000
1981-82	$ 95,000

Funds are appropriated for the repayment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by appropriations out of the General Fund. However, awards under $500 in cases where the operating agency admits negligence shall be paid from funds available for the operations of such agencies.

b. Judgments

1980-81	$ 135,000
1981-82	$ 135,000

For payment of such judgments as may be rendered against the Commonwealth by courts and orders of the State Personnel Board; such payments, where applicable, shall be subject to the provisions of KRS Chapter 45. Also, to pay medical malpractice judgments against the University of Kentucky and the University of Louisville in accordance with KRS 164.941 and 164.892. However, in no event shall the total payments exceed the sum of $5,500,000 in any fiscal year.

c. Prior Year Claims

1980-81	$ 320,000
1981-82	$ 320,000

d. Unredeemed Checks Refunded

1980-81	$ 19,000
1981-82	$ 19,000

Checks written by the State Treasurer and not cashed within the statutory period may be presented to the State Treasurer for reissuance in accordance with the provisions of KRS 41.370.

e. Confederate Pensions

1980-81	$ 600
1981-82	$ 600

f. Blanket Employees Bonds

1980-81	$ 49,000
1981-82	$ 49,000

For payment of premiums on blanket surety bonds as provided by KRS 62.170.

g. Back Tax Collections

1980-81	$ 100,000
1981-82	$ 100,000

h. Frankfort Planning Commission

1980-81	$ 1,000
1981-82	$ 1,000

i. Frankfort Cemetery

1980-81	$ 2,500
1981-82	$ 2,500

j. Public Improvements

1980-81	$ 5,000
1981-82	$ 5,000

Funds are appropriated for paying assessments for public improvements against property owned by the State, and for which said assessments the State is deemed to be liable.

k. Police and Firemen - Life Insurance

1980-81	$ 10,000
1981-82	$ 10,000

Funds are appropriated for payment of benefits for state and local police and firemen in accordance with KRS 61.315.

l. Workmen's Compensation

1980-81	$ 160,000
1981-82	$ 160,000

Fee officers in counties over 75,000 in population.

m. Master Commissioners - Employers Retirement

1980-81	$ 31,500
1981-82	$ 31,500

n. Master Commissioners - Social Security

1980-81	$ 30,000
1981-82	$ 32,000

o. Political Parties - Income Tax Checkoff

1980-81	$ 245,000
1981-82	$ 245,000

Funds are appropriated to pay all amounts designated by taxpayers on their income tax returns for remittance to the political party of their choice in accordance with KRS 141.072.

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p. Money Refunded

For refunding money paid into the State Treasury, which may later be determined not to be a lawful collection by the State. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and with the approval of the Secretary of the Department of Finance and the Attorney General.

TOTAL - APPROPRIATIONS NOT OTHERWISE CLASSIFIED

1980-81	$ 1,203,600
1981-82	$ 1,205,600

All items included within the Appropriations Not Otherwise Classified category shall be deemed necessary governmental expenses, and any expenditure over the above amounts is to be paid from the General Fund Surplus.

TOTAL - GENERAL GOVERNMENT

1979-80	$ 60,000
1980-81	$129,460,700
1981-82	$188,826,700

B. DEVELOPMENT

27. OFFICE OF THE SECRETARY

1980-81	$ 960,500
1981-82	$ 5,247,100

Included in the above appropriation is $4,245,000 in fiscal year 1981-82 for debt service payments on the Economic Development Project bonds.

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28. DEPARTMENT OF PARKS

1979-80	$ 250,000
1980-81	$ 16,418,700
1981-82	$ 16,347,100

Included in the above appropriation is $250,000 in fiscal year 1979-80 to provide funds for the increased cost of Unemployment Insurance Benefits.

Included in the above appropriation is $100,000 in fiscal year 1980-81 and $100,000 in fiscal year 1981-82 for the implementation of the "Kentucky Trails System Act" as required by KRS 148.610 through 148.790.

Included in the above appropriation is $1,453,600 in fiscal year 1981 and $1,456,000 in fiscal year 1982 for debt service payments.

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29. DEPARTMENT OF AGRICULTURE

1980-81	$ 6,968,800
1981-82	$ 7,361,400

In the event that enabling legislation to implement an egg promotion program is not enacted by the 1980 General Assembly, $50,000 in fiscal year 1980-81 and $50,000 in fiscal year 1981-82 shall remain unallotted and shall lapse to the credit of the General Fund.

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30. BREAKS INTERSTATE PARK COMMISSION

1980-81	$ 152,100
1981-82	$ 152,100

For matching funds appropriated by the Commonwealth of Virginia relating to construction, maintenance, and operations at the Breaks Interstate Park. In accordance with the Breaks Interstate Compact this appropriation is contingent upon an appropriation by the Commonwealth of Virginia adequate to match this amount on an equal basis; provided, however, that appropriations to date shall be considered cumulatively, and any deficit in appropriations by this state may be removed.

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31. DEPARTMENT OF TOURISM

1980-81	$ 4,965,600
1981-82	$ 5,136,300

Included in the above appropriation is $450,000 in fiscal year 1980-81 and $450,000 in fiscal year 1981-82 for Special Events Promotion. These monies may be expended as grants to local communities and organizations for tourist related activities. All grants shall be subject to approval of the Secretary of the Development Cabinet.

Also included in the above appropriation is $50,000 in fiscal year 1980-81 and $50,000 in fiscal year 1981-82 for the development of tourism in Appalachia. These monies may be expended for the planning, development, and execution of projects and programs designed to promote tourism in and advertise the positive aspects of the appalachian region of eastern Kentucky, which region shall be defined as the forty-nine (49) counties incorporated into the appalachian regional commission. The monies shall be administered by the commissioner of tourism, who shall consult with representatives of the area development district, tourism industries and local officials in the region, to determine the needs of the area in promoting tourism.

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32. KENTUCKY HORSE PARK

1980-81	$ 1,553,500
1981-82	$ 1,695,500

Included in the above appropriation is $843,500 in fiscal year 1981 and $1,054,100 in fiscal year 1982 for debt service payments. In the event that agency receipts exceed $2,677,000 in fiscal year 1981-82, the 1981-82 General Fund appropriation shall be reduced by a corresponding amount not to exceed $245,000, which shall lapse to the credit of the General Fund.

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33. DEPARTMENT OF COMMERCE

1980-81	$ 4,850,000
1981-82	$ 5,250,000

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34. STATE FAIR BOARD

1980-81	$ 6,648,900
1981-82	$ 6,612,500

Included in the above appropriation is $6,366,400 in fiscal year 1981 and $6,336,600 in fiscal year 1982 for debt service on Project 21 bond issue and the proposed Project 26 bond issue.

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35. COUNCIL ON AGRICULTURE

1980-81	$ 75,000
1981-82	$ 80,000

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36. KENTUCKY DEVELOPMENT FINANCE AUTHORITY

1981-82	$ 3,000,000

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37. DEPARTMENT FOR LOCAL GOVERNMENT

1979-80	$ 156,000
1980-81	$ 4,504,200
1981-82	$ 4,723,300

Included in the above appropriation is $156,000 in fiscal year 1979-80 for dues payments to the Appalachian Regional Commission.

Included in the above appropriation is $300,000 in fiscal year 1980-81 and $300,000 in fiscal year 1981-82 for matching funds for the EDA 304 program.

TOTAL - DEVELOPMENT CABINET

1979-80	$ 406,000
1980-81	$ 47,097,300
1981-82	$ 55,605,300

C. EDUCATION

38. OFFICE OF THE SECRETARY

1980-81 .... $ 375,000
1981-82 .... $ 125,000

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39. ARTS COMMISSION
   a. General Operations
      1980-81 .... $ 379,800
      1981-82 .... $ 378,400
   b. Challenge Grants
      1980-81 .... $ 704,700
      1981-82 .... $ 1,126,100

To be distributed to local arts fund raising organizations in accordance with applicable regulations promulgated by the Kentucky Arts Commission.

TOTAL - ARTS COMMISSION
1980-81 .... $ 1,084,500
1981-82 .... $ 1,504,500

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40. DEPARTMENT OF EDUCATION
   a. General Administration and Support Services
      1980-81 .... $ 5,209,600
      1981-82 .... $ 5,298,500

Funds for the basic skills testing program are included in these appropriations in the amount of $350,000 each year.

   b. Education for Exceptional Children
      1) General Operations
         1980-81 .... $ 1,383,000
         1981-82 .... $ 1,453,200
      2) Residential Services
         1980-81 .... $ 5,356,300
         1981-82 .... $ 5,910,000

Total - Education for Exceptional Children
1980-81 .... $ 6,739,300
1981-82 .... $ 7,363,200

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   c. School Foundation Program
      1980-81 .... $718,524,500
      1981-82 .... $780,254,200

Accumulated earnings for the Common School Fund shall each fiscal year be transferred to the School Foundation Program.

The amount to be included for the 1980-81 school year in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule, for a term of 185 days for each rank:

Rank Experience	I	II	III	IV	V
0-3 years	$14,356	$12,386	$10,416	$8,360	$7,370
4-9 years	16,316	14,356	12,386	8,360	7,370
10 years & over	18,094	16,124	14,154	8,360	7,370

Beginning with the school year 1981-82, the amount to be included in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule, for a term of 185 days, for each rank:

Rank Experience	I	II	III	IV	V
0-3 years	$15,576	$13,439	$11,301	$9,071	$7,996
4-9 years	17,703	15,576	13,439	9,071	7,996
10 years & over	19,632	17,495	15,357	9,071	7,996

No working budget or salary schedule shall be approved in which the average salary paid any rank of teachers is not at least equivalent to the allotment for that rank, or in which any teacher is paid less than ninety-three percent (93%) of the School Foundation Program allotment for that rank, except where there is a decline in local revenue of the district concerned after it has levied the maximum ad valorem property tax rate permitted by law. Any such reduction permitted shall be only for the amount of the decline in local revenue.

In the event any local board of education contends there has been a decline in local tax resources in that district, the State Board for Elementary and Secondary Education shall certify such contention to the Department of Revenue. Said department shall then determine whether or not there has, in fact, been a decline in local tax resources of such district, and, if so, the amount of such decline. The Department of Revenue shall then certify its determination to the State Board for Elementary and Secondary Education, and said Board shall accept such certified determination as final.

The State Board for Elementary and Secondary Education shall not approve any working budgets or salary schedule summaries for local boards of education for the school years 1980-81 and 1981-82 in which the total amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries is not equal to the amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries in the preceding year, plus the additional amount for teachers' salaries received by the district under this appropriation for a 185 day school term by assuming the same classroom units and rank and experience of teachers in the current year as in the preceding year in each local school district.

The allotment to any school district of classroom units, pursuant to KRS 157.360(1) shall not exceed the number of teachers employed by that school district.

Entitlement for basic classroom units obtained in schools of one classification shall not be allocated to schools of another classification. For the purposes of determining such entitlement, classification shall be as follows:

(1) One-teacher schools;

(2) Schools, other than one-teacher schools, with less than one hundred pupils in average daily attendance; and

(3) Schools, other than one-teacher schools, with more than one hundred pupils in average daily attendance.

In the determination of allotments pursuant to KRS 157.360(2), there shall not be allotted a full classroom unit for any non-isolated one-teacher school with fewer than 27 pupils in average daily attendance or for any isolated one-teacher school which has fewer than 12 pupils in average daily attendance.

Notwithstanding the provisions of KRS 157.360(5), (6), and (10) the allotments, provision for which is made under this Act, for classroom units shall be as follows:

	1980-81	1981-82
Vocational Education	2,857	2,900
Exceptional Children	4,210	4,310
Kindergarten	1,000	1,050

Provided, however, that if the budgeted units in any category of classroom units — Vocational Education, Exceptional Children, Kindergarten, classroom units for elementary and secondary schools, and units related to school administration — prove to be excessive, the surplus not to exceed (100) such classroom units may be reallocated to any other category or categories by the Superintendent of Public Instruction, upon the approval of the State Board for Elementary and Secondary Education and the Secretary of the Department of Finance.

The allotments of classroom units shall be made on the average daily attendance for the end of the previous school year in public school grades one (1) through twelve (12) after the following deductions: (a) an average daily attendance of eight and four-tenths (8.4) in 1980-81 and nine (9.0) in 1981-82 shall be deducted for each vocational education unit allotted and (b) an average daily attendance of six and three-tenths (6.3) in 1980-81 and seven and two-tenths (7.2) in 1981-82 shall be deducted for each exceptional children unit allotted. The average daily attendance deductions for vocational education units and exceptional children units, described above, shall be used in the calculation of administrative and special instructional services (ASIS) units, as ASIS units relate to vocational education and exceptional children units allotted after 1975-76.

Allotments for classroom units pursuant to KRS 157.360(7) shall only be for those personnel enumerated under said section who are qualified for their respective positions under applicable provisions of law and regulations and who maintain programs which have been approved pursuant to applicable regulations.

The amount to be included in the Foundation Program for other current expenses in the 1980-82 biennium shall be determined by multiplying the number of classroom units by: $3,245 in the 1980-81 school year and $3,570 in the 1981-82 school year. At least 5% of the increase in value of the current expense category per unit from the preceding year over the 1980-82 biennium shall be utilized for purposes of improving salaries for the classified personnel of local school districts.

The amount to be included in the Foundation Program for capital outlay shall be determined by multiplying the number of classroom units by: $1,900 in the 1980-81 school year and $2,000 in the 1981-82 school year.

In accordance with the intent of KRS 162.060 and 162.160, no space shall be rented, purchased, or otherwise acquired and thereafter converted to classroom use without prior approval of the Superintendent of Public Instruction. The State Board for Elementary and Secondary Education may adopt regulations for the housing of school children. No facilities shall be approved for classroom use which are detrimental to the health of or dangerous to the safety of school children.

If a school district operates any school or grade of a school for a term of less than 185 days in accordance with KRS 158.070 or for a school day of less than the minimum required by KRS 158.060, the average daily attendance of such school shall be reduced proportionately by the Superintendent of Public Instruction in determining the allotment of classroom units.

Any undistributed balance in the Foundation Program fund at the end of the fiscal year 1980-81 and 1981-82 shall lapse to the General Fund except where provisions to the contrary are provided in this Act. No unexpended portions of the School Foundation Program fund shall be expended at any time for the purpose of KRS 156.610 through 156.650 except as identified in this Act.

The total appropriation for the School Foundation Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 et. seq. If the required expenditures exceed these estimates, the Secretary of the Department of Finance, with approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the hereinabove cited sections of the Kentucky Revised Statutes; provided, however, that any such increase, of the total appropriation to the Foundation Program is subject to Part VI, General Provisions, Section 8, of this Act, and the provisions of KRS 45.160.

Included in this appropriation is $1,545,800 for 1980-81 and $1,623,100 for 1981-82 for Vocational Transportation.

d. Power Equalization

1980-81	$ 35,600,000
1981-82	$ 38,600,000

Funds are appropriated for the purpose of equalizing expenditures among students in local school districts in accordance with KRS 157.545 - 157.575.

e. Instruction

1980-81	$ 11,218,900
1981-82	$ 16,038,200

Included in the above appropriation is $8,688,300 in fiscal year 1980-81 and $12,593,000 in fiscal year 1981-82 for the purchase of free textbooks in public schools.

Funds for programs for Gifted Students are included in the above appropriations. Amounts total $1,196,900 for 1980-81 and $1,980,700 for 1981-82.

f. Administration and Finance for Local School Systems

1980-81	$ 1,372,100
1981-82	$ 1,438,700

g. Out-of-District Children

1980-81	$ 2,097,000
1981-82	$ 2,765,800

Funds are provided for reimbursement to local school districts for programs provided in accordance with KRS 158.135 and applicable regulations. Provided, however, that if sufficient funds are not available to reimburse each district for the total cost of the services, each allocation shall be reduced in accordance with Part VI, General Provisions, Section 8 of this Act.

h. Teacher Life Insurance

1980-81	$ 771,500
1981-82	$ 781,200

For providing life insurance to each full-time certificated and non-certificated employee of local boards of education. If the cost for life insurance exceeds the level of appropriated funds, any unexpended School Foundation Programs funds may be used to offset such expenditures, subject to the approval of the Secretary of the Department of Finance.

i. Committee for School District Audits

1980-81	$ 267,900
1981-82	$ 293,100

j. Replacement of Student Fees

1980-81	$ 9,022,900
1981-82	$ 8,930,200

To be distributed to local school districts in accordance with appropriate administrative regulations to be promulgated by the Department of Education, for the abolishment of student fees.

Local school districts shall be required to account for and report all expenditures of these funds.

k. Teacher Health Insurance

1980-81	$ 18,044,900
1981-82	$ 21,057,200

Funds are provided for the purchase of medical insurance for certificated and non-certificated full-time employees of local boards of education pursuant to applicable statutes and regulations. If the cost for health insurance exceeds the level of appropriated funds, any unexpended School Foundation Program funds may be used to offset such expenditures, subject to the approval of the Secretary of the Department of Finance.

l. State School Lunch Assistance

1980-81	$ 4,193,000
1981-82	$ 4,702,700

m. Vocational Education

1980-81	$ 37,200,700
1981-82	$ 41,609,800

These appropriations include funds for the Division of Adult Education. Included in the above appropriation is $133,105 in fiscal year 1980-81 and $129,875 in fiscal year 1981-82 for debt service on Project 12 Revenue Bonds. Also included is $1,240,000 each year for lease payments to the Kentucky School Building Authority.

n. Rehabilitation Services

1980-81	$ 3,660,900
1981-82	$ 3,839,100

TOTAL - DEPARTMENT OF EDUCATION

1980-81	$853,923,200
1981-82	$932,971,900

41. KENTUCKY EDUCATIONAL TELEVISION

1980-81	$ 6,130,700
1981-82	$ 6,549,900

Included in the above appropriation is $608,250 in fiscal year 1980-81 and $611,000 in fiscal year 1981-82 for debt service and $646,000 in fiscal year 1980-81 and $650,000 in fiscal year 1981-82 for equipment replacement.

42. HERITAGE COMMISSION

1980-81	$ 367,900
1981-82	$ 386,500

43. HISTORICAL SOCIETY

1980-81	$ 1,255,000
1981-82	$ 1,282,000

The amount of $10,000 each year is included in the above appropriation for an emergency maintenance fund for the Old Capitol and Annex.

44. DEPARTMENT OF LIBRARY AND ARCHIVES

1980-81	$ 5,500,000
1981-82	$ 7,431,900

The appropriation for 1981-82 includes $1,600,000 for lease payments to the Department of Finance for the new State Library and Archives Building.

45. BUREAU FOR THE BLIND

1980-81	$ 961,500
1981-82	$ 988,400

Included in the above appropriation is $395,400 in fiscal year 1980-81 and $400,000 in fiscal year 1981-82 for Kentucky Industries for the Blind.

TOTAL - EDUCATION AND ARTS

1980-81	$869,597,800

1981-82	$951,240,100

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46. KENTUCKY SCHOOL BUILDING AUTHORITY

1980-81	$ 85,000
1981-82	$ 3,949,000

Any funds appropriated in the 1980-82 biennium in excess of continuation debt service and operations, including any uncommitted carry forward funds from the previous biennium, shall be committed first for debt service on new bond issues, or bond anticipation notes, which generate funds for construction of school facilities in those districts which have levied a tax sufficient to fully participate in the power equalization program but are unable, without assistance from the authority, to finance the construction necessary to obtain an accreditation rating above a basic school or to relieve an emergency situation resulting from a calamity or other unusual situation. If additional funds are available, priority for funding shall be given to those districts where the square foot needs/per pupil cost is greatest and the district has levied the maximum general fund tax not subject to recall under KRS 160.470 and is eligible for full participation in the power equalization program. In all cases, funds shall be provided only for that portion of a bond issue which cannot be financed by the district for its first priority construction.

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47. TEACHERS' RETIREMENT SYSTEM

1980-81	$ 89,308,500
1981-82	$101,263,700

For administering and complying with the obligations of the state under the Teachers' Retirement System statutes as provided in KRS 161.220 through 161.710.

Included in the above appropriation is $1,400,000 in fiscal year 1980-81 and $1,533,000 in fiscal year 1981-82 to cover increased employer contributions for the member universities. This appropriation is contingent upon enabling legislation, and if such legislation is not enacted, the above amounts shall lapse to the General Fund. Pending this legislation, the funds above shall allow a two and two hundred fifteen thousandths percent (2.215%) increase in the employer's contribution rate and a like percentage decrease in the employe's contribution rate.

Notwithstanding the employer contribution rates and benefit improvements effective July 1, 1980 established under the provisions of KRS 161.540(3) and 161.620(1)(b), each year of service performed between July 1, 1941 and July 1, 1982 shall be valued at two percent (2%) of the final average salary. For retirements effective July 1, 1982, and thereafter, the allowance for service performed after July 1, 1982, shall be valued at two and five-tenths percent (2.5%) of the final average salary for all members not employed by a state university or college, and two percent (2%) of the final average salary for members employed by a state university or college. Prior to July 1, 1982, each member employee shall contribute to the retirement system seven and eighty-four hundreds percent (7.84%) of annual compensation, except where KRS provisions otherwise define employee contributions of members employed by a state university or college. After July 1, 1982, each member employee not employed by a state university or college shall contribute to the retirement system nine and thirty-two hundreds percent (9.32%) of annual compensation.

TOTAL - EDUCATION AND ARTS, SCHOOL BUILDING AUTHORITY AND TEACHERS' RETIREMENT SYSTEM

1980-81	$ 958,991,300
1981-82	$1,056,452,800

D. HIGHER EDUCATION

48. COUNCIL ON HIGHER EDUCATION

1980-81	$ 10,068,500
1981-82	$ 15,227,900

The above appropriation contains $2,104,900 for FY 1980-81 and $2,488,000 for FY 1981-82 for the Area Health Education System. Of the amount provided for the Area Health Education System, $202,000 in FY 80-81 and $298,000 in FY 81-82 is for the Professional Education Preparation Program. Included in the above appropriation is $200,000 in fiscal year 1980-81 and $400,000 in fiscal year 1981-82 for the purpose of establishing, through the University of Louisville and the University of Kentucky, a free-standing, family-practice residency program and a model primary care office.

Also, included in the above appropriation is $4,301,400 for fiscal year 1980-81 and $8,753,100 for fiscal year 1981-82 for Institutional Pools. The amount for FY 80-81 is for salary adjustments to upgrade faculty and staff salary levels at the universities and community colleges and for enrollment adjustments to offset any tuition loss due to a decline in enrollment. The $8,753,100 for fiscal year 1981-82 is for salary adjustments at the universities. The Council shall notify the institutions of the distribution of the salary adjustment funds on or prior to May 1 preceding the fiscal year for which appropriations are made.

Also included in the appropriation to the Council on Higher Education is $62,500 in fiscal year 1980-81 and $125,000 in fiscal year 1981-82 for the purpose of acquiring additional veterinary medicine contract spaces at an SREB institution.

49. HIGHER EDUCATION ASSISTANCE AUTHORITY

1980-81	$ 5,314,000
1981-82	$ 5,643,000

Included in the above appropriation is $2,330,000 for fiscal year 1980-81 and $2,336,000 for fiscal year 1981-82 for the State Student Incentive Grant Program. Also included is $2,984,000 for FY 1980-81 and $3,307,000 for FY 1981-82 for the Kentucky Tuition Grant Program.

50. UNIVERSITY OF KENTUCKY

1980-81	$135,113,000
1981-82	$150,907,000

51. UNIVERSITY OF LOUISVILLE

1980-81	$ 74,335,700
1981-82	$ 83,588,100

52. EASTERN KENTUCKY UNIVERSITY

1980-81	$ 29,957,200
1981-82	$ 33,051,200

53. WESTERN KENTUCKY UNIVERSITY

1980-81	$ 28,366,600
1981-82	$ 31,294,000

54. MOREHEAD STATE UNIVERSITY

1980-81	$ 18,418,400
1981-82	$ 20,133,400

55. MURRAY STATE UNIVERSITY

1980-81	$ 22,668,300
1981-82	$ 24,934,500

56. KENTUCKY STATE UNIVERSITY

1980-81	$ 9,224,100
1981-82	$ 10,166,700

57. NORTHERN KENTUCKY UNIVERSITY

1980-81	$ 16,713,700
1981-82	$ 19,554,400

TOTAL - HIGHER EDUCATION

1980-81	$350,179,500
1981-82	$394,500,200

E. HUMAN RESOURCES

58. DEPARTMENT FOR HUMAN RESOURCES

a. Bureau for Social Insurance

1. Administration

1980-81	$ 27,385,800
1981-82	$ 29,694,700

In the event that any portion of this appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the bureau, such amount, with the approval of the Governor, may be used for Public Assistance Benefits to the needy in accordance with the statutes governing the functions and activities of the Bureau for Social Insurance. In no instance shall these excess funds be used, without the prior written approval of the Governor, to:

1. establish a new program,
2. expand the services of an existing program,
3. increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the Governor's written approval and supporting documents from the Department for Human Resources and the Department of Finance. Notwithstanding KRS 45.235, any unexpended balance not used for Public Assistance Benefits remaining at the close of the 1980-81 fiscal year shall lapse.

2. Benefits

1980-81	$167,958,100
1981-82	$194,478,800

To be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Bureau for Social Insurance.

The Department is hereby directed to develop and implement by the second year of the biennium (FY 82) a Medicaid Cost Containment Plan. A preliminary report which describes the plan and its anticipated results shall be made prior to the beginning of the 1982 Regular Session of the General Assembly to the Interim Committees on Health and Welfare and Appropriations and Revenue. Beginning with the 1982 fiscal year, an annual report shall be made no later than ninety (90) days following the close of the fiscal year.

No portion of this appropriation may be used for the costs of administration except with the prior written approval of the Governor. In no instance shall the unexpended balance carried forward, as provided by KRS 45.235, or any portion thereof be used, without the prior written approval of the Governor, to:

1. establish a new program,
2. expand the services of an existing program,
3. increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the Governor's written approval and supporting documents from the Department for Human Resources and the Department of Finance.

All medical assistance vendor statements for services rendered as a result of bona fide claims for medical care may be paid in the fiscal year in which such statements are received by the paying agency.

b. Bureau for Manpower Services

1980-81	$ 596,600
1981-82	$ 607,600

Included in the above appropriation is $24,000 for the 1980-81 fiscal year and $24,000 for the 1981-82 fiscal year for promotion of the WIN tax incentive available to employers who hire Work Incentive program registrants.

c. Bureau for Health Services

1980-81	$ 85,326,800
1981-82	$ 94,531,500

Included in the above appropriation for fiscal year 1980-81 is $200,000 for grants for the autistic children program; $7,772,200 for the Local Mental Health Administration and Grants programs; and $600,000 for diabetes screening.

Included in the above appropriation for fiscal year 1981-82 is $400,000 for grants for the autistic children program; $8,140,700 for the Local Mental Health Administration and Grants programs; and $1,000,000 for diabetes screening.

d. Bureau for Social Services

1980-81	$ 30,308,700
1981-82	$ 32,297,100

Included in the above appropriation for fiscal year 1980-81 is $131,000 for expansion of the Special Needs Adoption Project in the program, Social Services for Families.

Included in the above appropriation for fiscal year 1981-82 is $131,100 for expansion of the Special Needs Adoption Project in the program, Social Services for Families.

e. Executive Policy Support

1980-81	$ 14,727,000
1981-82	$ 14,956,800

TOTAL - HUMAN RESOURCES

1980-81	$326,303,000
1981-82	$366,566,500

F. JUDICIARY

59. JUDICIARY

a. Court Operation and Administration

1980-81	$ 36,930,700
1981-82	$ 39,633,400

To be used for the purposes of the Supreme Court, Court of Appeals, Circuit Court, District Court, the Administrative Office of the Courts, Pretrial Services, Judicial Boards and Commissions, the State Law Library, and for services performed by the Circuit Clerk offices, including both circuit and district court support.

Included in the above appropriation is $562,700 in fiscal year 1980-81 and $1,768,500 in fiscal year 1981-82 to be used for salary improvements for judicial support personnel. The specific allocation of these funds shall be made by Administrative Office of the Courts at the direction of the Chief Justice. Funding is also provided for the expansion of the Pretrial Services for both years of the biennium. The specific allocation of these funds shall be made by the Administrative Office of the Courts. Funding is provided for additional clerks each year of the biennium.

b. Judicial Retirement and Retirement Board

1980-81	$ 1,935,000
1981-82	$ 1,945,400

To be used for the purposes of funding and the administration of the Judicial Retirement System.

c. Local Facility Support

1980-81	$ 5,566,400
1981-82	$ 5,956,000

To be used to fund court facilities in support of the Court of Justice.

TOTAL - JUDICIARY

1980-81	$ 44,432,100
1981-82	$ 47,534,800

G. JUSTICE

60. DEPARTMENT OF JUSTICE

a. Bureau of Training

1980-81	$ 2,250,300
1981-82	$ 2,369,100

b. Bureau of Corrections

1980-81	$ 36,581,000
1981-82	$ 43,560,700

Included in the above appropriation is $200,000 in FY 81 and $1,100,000 in FY 82 for new services which effectuate improved classification of prisoners, evaluation of programs and increased work opportunities and medical services.

Also included is $150,000 in FY 1980-81 and $200,000 in FY 1981-82 for a rehabilitation program for sexual offenders. In the event that enabling legislation authorizing this program is not enacted by the 1980 General Assembly, these funds shall remain unallotted and shall lapse to the credit of the General Fund.

Included in the above appropriation is $2,500,000 in FY 1981-82 for debt service payments on the bond issue for the new correctional institution. To the extent that these funds, or any part thereof, may not be needed to meet debt service requirements, they shall lapse to the credit of the General Fund.

c. Bureau of State Police

1979-80	$ 1,385,700
1980-81	$ 50,507,100
1981-82	$ 53,820,400

For each year of the biennium, $2,500,000 is provided for Capital Security and Park Rangers.

Any extraordinary expenditures of funds as a result of the Governor's call of the Kentucky State Police to extraordinary duty is hereby declared to be a necessary governmental expense; provided, however, that an emergency situation shall have been declared to exist by the Governor.

d. Office of Public Advocacy

1979-80	$ 350,000
1980-81	$ 3,872,000
1981-82	$ 4,352,000

An additional $350,000 is provided in FY 80 for local defense of indigents. Grants for local defense are funded at $2,070,000 in FY 81 and $2,100,300 in FY 82.

e. Justice Administration

1980-81	$ 8,848,000
1981-82	$ 8,992,500

Included in the above appropriation is $6,000,000 in each fiscal year for the Kentucky Law Enforcement Foundation Program Fund. Under the provisions of the Kentucky Law Enforcement Fund, an eligible local unit of government shall be entitled to receive a supplement to each qualified police officer's annual salary from the law enforcement foundation program fund, to be paid to each officer in addition to his regular salary. The state supplement for each qualifying officer shall be a percentage of that portion of each officers annual base salary which does not exceed $20,000. The percentage shall be determined by the Department of Justice in accordance with available funding. The same percentage shall be utilized for all officers. Funding for educational incentive shall be suspended during the 1980-82 biennium for the purpose of review and evaluation.

The annual criminal justice plan developed by the Department of Justice as required by Federal law shall be submitted upon publication to the Interim Joint Appropriations and Revenue Committee.

TOTAL - DEPARTMENT OF JUSTICE

1979-80	$ 1,735,700
1980-81	$102,058,400
1981-82	$113,094,700

H. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

61. DEPARTMENT FOR NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

a. Bureau for Natural Resources

1980-81	$ 6,942,300
1981-82	$ 7,605,300

Not less than $60,000 of the appropriation for each fiscal year shall be set aside for emergency forest fire suppression. Any expenditure for emergency fire suppression in excess of this amount in either fiscal year is deemed to be a necessary government expense by written order of the Governor upon certification by Secretary of Finance as to the advisability of such expenditure.

Included in the above is $250,000 in fiscal year 1980-81 and $250,000 in fiscal year 1981-82 which may be used for direct aid to conservation districts.

Included in the above appropriation is $280,000 in fiscal year 1980-81 and $470,000 in fiscal year 1981-82 to be used for engineering studies to assess the structural safety and the cost of repairing locally owned water supply dams. These monies may be granted to municipalities or counties on a 50/50 matching basis.

b. Bureau for Environmental Protection

1979-80	$ 491,500
1980-81	$ 6,991,700
1981-82	$ 7,521,500

In the event that enabling legislation to implement a vehicle emissions inspection program is not enacted by the 1980 General Assembly, $216,200 in fiscal year 1980-81 and $298,700 in fiscal year 1981-82 of the above appropriations shall remain unallotted and shall lapse to the credit of the General Fund.

Included in the above appropriation is $491,500 in fiscal year 1979-80, $1,200,000 in fiscal year 1980-81 and $1,200,000 in fiscal year 1981-82 for the maintenance, operations, and improvements necessary at Maxey Flats.

c. Bureau for Surface Mining Reclamation and Enforcement

1980-81	$ 4,858,000
1981-82	$ 4,447,100

Any extraordinary expenditure of funds which may result from the Commonwealth's efforts to attain primacy under Public Law 95-87 may be deemed to be a necessary government expense by written order of the Governor only upon certification as to need from the Secretary for Natural Resources and Environmental Protection to the Governor and upon written recommendation of the Secretary of Finance to the Governor as to the advisability of such an expenditure.

Included in the above appropriation is $448,500 in fiscal year 1980-81 and $472,500 in fiscal year 1981-82 for the Small Operators Technical Assistance Project.

d. General Administration and Support

1980-81	$ 2,434,900
1981-82	$ 2,598,900

TOTAL - DEPARTMENT FOR NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1979-80	$ 491,500
1980-81	$ 21,226,900
1981-82	$ 22,172,800

62. ENVIRONMENTAL QUALITY COMMISSION

1980-81	$ 49,900
1981-82	$ 53,200

63. KENTUCKY NATURE PRESERVES COMMISSION

1980-81	$ 139,900
1981-82	$ 148,700

TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1979-80	$ 491,500
1980-81	$ 21,416,700
1981-82	$ 22,374,700

I. PUBLIC PROTECTION AND REGULATION

64. OFFICE OF THE SECRETARY

1980-81	$ 226,300
1981-82	$ 245,800

65. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1980-81	$ 1,052,900
1981-82	$ 1,111,100

66. DEPARTMENT OF BANKING AND SECURITIES

1980-81	$ 1,879,800
1981-82	$ 1,975,300

Notwithstanding the provision of KRS 47.130, receipts collected by the Department shall be deposited to the credit of the General Fund.

67. BOARD OF TAX APPEALS

1980-81	$ 126,200
1981-82	$ 137,000

68. DEPARTMENT OF INSURANCE

1980-81	$ 1,813,900
1981-82	$ 1,803,700

69. DEPARTMENT OF LABOR

1980-81	$ 1,398,100
1981-82	$ 1,429,700

Included in the above appropriation is $72,000 in fiscal year 1980-81 and $45,000 in fiscal year 1981-82 for the Western Kentucky Area Labor-Management Committee.

70. REGISTRY OF ELECTION FINANCE

1980-81	$ 223,600
1981-82	$ 235,600

71. DEPARTMENT OF MINES AND MINERALS

1980-81	$ 4,366,300
1981-82	$ 5,304,700

72. ENERGY AND UTILITY REGULATORY COMMISSIONS

1980-81	$ 1,507,400
1981-82	$ 2,452,800

For the 1980-82 biennium the assessment on regulated utilities revenues, in accordance with KRS 278.130, shall not exceed the FY 1979-80 rate of 1.21 mils.

In the event that an assessment of 1.21 mils would produce revenues greater than the amounts appropriated herein for either year of the biennium, an additional amount not to exceed $323,800 in FY 1980-81, and an additional amount not to exceed $323,700 in FY 1981-82, is hereby appropriated from the General Fund for operational improvements of the Commissions.

73. KENTUCKY STATE RACING COMMISSION

1980-81	$ 320,600
1981-82	$ 337,400

74. KENTUCKY HARNESS RACING COMMISSION

1980-81	$ 406,600
1981-82	$ 430,300

75. DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION

1980-81	$ 4,493,900
1981-82	$ 5,689,000

Included in the above appropriation is $690,000 in fiscal year 1980-81 and $715,000 in fiscal year 1981-82 for the Fire Department Aid as prescribed by KRS 17.210 through KRS 17.270. Also included in the appropriation is $1,000,000 in fiscal year 1980-81 and $2,000,000 in fiscal year 1981-82 for the Firefighter's Pay Incentive program. In the event enabling legislation authorizing this program is not enacted by the 1980 General Assembly these funds shall remain unallotted and lapse to credit of the General Fund.

TOTAL - PUBLIC PROTECTION AND REGULATION

1980-81	$ 17,815,600
1981-82	$ 21,152,400

J. TRANSPORTATION

76. DEPARTMENT OF TRANSPORTATION

a. Air Transportation

1980-81	$ 2,245,300
1981-82	$ 2,264,600

Included in the above appropriation is $2,126,800 in fiscal year 1980-81 and $2,139,800 in fiscal year 1981-82 for the Airport Development Fund. The total General Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with KRS 45.322(b).

b. Water Transportation

1980-81	$ 1,132,200
1981-82	$ 1,188,300

The total General Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with the provisions of KRS 45.322(b).

c. Rail Transportation

1980-81	$ 60,500
1981-82	$ 60,500

The total General Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with KRS 45.322(b).

d. Public Transportation

1980-81	$ 903,500
1981-82	$ 903,500

Included in the above appropriation is $500,000 each fiscal year for the purchase of general municipal transportation vehicles and $200,100 each fiscal year for an Energy Conservation program. The total General

Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with KRS 45.322(b).

e. General Administration and Support

1980-81	$ 642,600
1981-82	$ 653,200

Included in the above appropriation is $50,000 each fiscal year for payment of unemployment insurance claims. The total General Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with the provisions of KRS 45.322(b).

f. Highways

1) Bureau of Vehicle Regulation (Except Division of Water Enforcement)

1980-81	$ 5,639,800
1981-82	$ 4,964,800

Included in the above appropriation is $1,170,000 in fiscal year 1980-81 and $195,000 in fiscal year 1981-82 to reissue license plates in fiscal year 1982-83.

The total General Fund appropriation stated above may be transferred for administrative purposes to the Transportation Fund for allotment and expenditure in accordance with the provisions of KRS 45.322(b).

2) Coal Impact Road Fund

1979-80	$ 1,500,000

These funds are appropriated to the coal impact road fund. In the event that enabling legislation for the local government assistance program is enacted by the 1980 General Assembly, the above appropriation shall not be in addition to any other special appropriation which may be authorized for this purpose for 1979-80.

3) Energy Road Fund

1979-80	$ 4,500,000

The sum of $4,500,000 of these funds are appropriated to the Bureau of Highways in accordance with enabling legislation enacted by the 1980 General Assembly for this purpose.

TOTAL - TRANSPORTATION CABINET

1979-80	$ 6,000,000
1980-81	$ 10,623,900
1981-82	$ 10,034,900

K. ENERGY

77. DEPARTMENT OF ENERGY

a. General Operations

1980-81	$ 8,197,200
1981-82	$ 9,727,200

Included in the above appropriation are funds for the Kentucky Geological Survey.

b. Demonstration Trust Fund

1980-81	$ 3,000,000
1981-82	$ 6,000,000

Included in the above appropriation in fiscal year 1981-82 is $3,000,000 for debt service in accordance with the provisions of KRS 152.757. In the event that project bonds are not sold, for the proposed Solvent Refined Coal Project, $3,000,000 in fiscal year 1981-82 shall remain unallotted and shall lapse to General Fund surplus.

Any interest accrued from investment of monies generated from the sale of bonds for funding for the Solvent Refined Coal Project shall be applied to debt service payments on the bonds.

TOTAL - DEPARTMENT OF ENERGY

1980-81	$ 11,197,200
1981-82	$ 15,727,200

L. KENTUCKY RETIREMENT SYSTEMS

1980-81	$ 7,000

PART II
TRUST AND AGENCY FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1981, and for the fiscal year ending June 30, 1982, all of the fees (which include fees for board and room, athletics, and student activities) and rental, admittances, sales, bond proceeds, licenses collected by law, gifts, subventions, contributions, income from investments and other miscellaneous receipts produced or received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Trust and Revolving, or an Agency Fund out of which shall be established separate Trust and Revolving or Agency Fund accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS Chapters 12, 42, and 45.

In the event receipts received and credited to any Trust and Revolving or Agency Fund account during fiscal year 1980-81 or fiscal year 1981-82 and any balance forwarded to the credit of any such account from the previous year, exceed, by the sum of five percent (5%), the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Office for Policy and Management upon approval of the Secretary of the Department of Finance; provided, however, that institutions of higher education may receive and expend all trust and agency funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Trust and Revolving or Agency Fund account, through the Department of Finance, during the fiscal year ending June 30, 1981, and during the fiscal year ending June 30, 1982, all receipts placed to the credit of the Trust and Revolving or Agency Fund for such year, out of which has been established a Trust and Revolving or Agency Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Department of Finance. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Department of Finance and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures, a comparative statement of any revised estimated receipts and expenditure with amounts provided in the executive budget as adopted by the 1980 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of Finance, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Office for Policy and Management, the credit and expenditure of such funds for statutory purposes. The Secretary of Finance shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of Finance, in consultation with the Interim Joint Committee on Appropriations and Revenue, shall provide appropriate notice pursuant to this event to the Legislative Research Commission.

A. GENERAL GOVERNMENT

1. AUDITOR OF PUBLIC ACCOUNTS
   a. Auditing County Governments

1980-81	$ 516,400
1981-82	$ 500,000

The above receipts are based upon current per diem auditing rates. The Department of Finance shall withhold any monies due County Government which are delinquent for the term of one hundred and twenty (120) days in payment of fees to the State Auditor.

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2. SECRETARY OF STATE

Notwithstanding the provisions of KRS 118.610, 271A.625, KRS 271A.630, KRS 271A.635, and KRS 56.300; all the operating receipts from all activities of the office of the Secretary of State shall be deposited in the State Treasury to the credit of the General Fund.

3. TREASURY

1980-81.....$ 168,600
1981-82.....$ 171,400

4. DEPARTMENT OF LAW

1980-81.....$ 1,394,800
1981-82.....$ 1,487,600

The above funds include $1,221,200 in fiscal year 1980-81 and $1,342,700 in fiscal year 1981-82 for the Uninsured Employers' Fund.

5. CAPITAL PLAZA

1980-81.....$ 2,190,200
1981-82.....$ 2,210,000

The above funds include $1,859,400 in fiscal year 1980-81 and $1,859,600 in fiscal year 1981-82 for the payment of the Debt Service of the Capital Plaza.

6. DEPARTMENT OF FINANCE

1980-81.....$ 44,547,100
1981-82.....$ 47,465,600

All funds received under any program of anti-recession or counter cyclical assistance enacted by the United States Congress are hereby appropriated to the Department of Finance to be used for the maintenance of basic services in and among the various agencies, cabinets, and departments of state government. Any portion of these funds may be transferred to other major program areas or agencies of state government for the purpose of continuing basic services; provided, however, that such transfers shall be used to reduce General Fund appropriations and shall not in any way increase the expenditure level authorized by the General Assembly.

7. KENTUCKY RETIREMENT SYSTEMS

1980-81.....$ 820,100
1981-82.....$ 877,000

8. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

		1980-81	1981-82
a.	Board of Accountancy	$133,700	$142,700
b.	Board of Architects	$ 81,100	$ 79,000
c.	Board of Auctioneers	$ 70,900	$ 74,900
d.	Board of Barbers	$110,300	$110,800
e.	Board of Chiropractic Examiners	$ 39,000	$ 39,000
f.	Board of Dental Examiners	$109,300	$116,200
g.	Board of Embalmers and Funeral Directors	$ 52,700	$ 57,500
h.	Board of Engineers and Land Surveyors	$133,500	$139,500
i.	Board of Hairdressers and Cosmetologists	$335,600	$358,300
j.	Board of Hearing Aid Dealers	$ 10,000	$ 10,200
k.	Board of Landscape Architecture	$ 10,600	$ 11,100
l.	Board of Medical Licensure	$177,600	$185,000
m.	Board of Nurses	$409,600	$453,800
n.	Nursing Home Administrators Licensure Board	$ 32,800	$ 32,800
o.	Board of Ophthalmic Dispensers	$ 9,100	$ 9,600
p.	Board of Optometric Examiners	$ 32,000	$ 32,000
q.	Board of Pharmacy	$182,100	$198,400
r.	Board of Physical Therapy	$ 25,000	$ 28,500
s.	Board of Podiatry	$ 2,600	$ 2,600
t.	Board of Proprietary Education	$ 23,400	$ 23,400
u.	Board of Psychology	$ 27,100	$ 29,200
v.	Real Estate Commission		
	1. Examination and Licensing	$407,300	$405,000

		1980-81	1981-82
2.	Real Estate Education Research and Recovery	$549,000	$640,500
w.	Board of Social Workers	$ 42,100	$ 42,100
x.	Board of Speech Pathologists and Audiologists	$ 13,100	$ 12,200
y.	Board of Veterinary Examiners	$ 23,300	$ 24,500
z.	Board of Watchmaking	$ 10,400	$ 10,400

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9. DEPARTMENT OF PERSONNEL

1980-81	$ 847,200
1981-82	$ 858,200

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10. COUNTY FEES

	1980-81	1981-82
Jefferson County	$7,500,000	$8,250,000
Kenton County	$1,560,000	$1,720,000
Campbell County	$ 828,000	$ 910,000
Fayette County	$4,085,000	$4,490,000
Daviess County	$1,015,000	$1,115,000

County Fees for the following counties: Jefferson, Kenton, Fayette, Campbell, and Daviess are for paying the various officials of each county enumerated, seventy-five percent (75%) of the fees provided by law to be paid, by the State, to these officials when their claims for fees have been presented to the Department of Finance in the form and manner prescribed by law and approved by the Secretary of the Department of Finance, and to pay the Fiscal Court of each of said counties twenty-five percent (25%) of said fees as required by KRS 64.350.

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11. MILITARY AFFAIRS

1980-81	$ 30,000
1981-82	$ 30,000

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12. KENTUCKY HORSE COUNCIL

1980-81	$ 15,300
1981-82	$ 18,200

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13. BOARD OF ELECTIONS

1980-81	$ 104,100
1981-82	$ 10,000

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14. COMMISSION ON HUMAN RIGHTS

1980-81	$ 3,000
1981-82	$ 3,000

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15. COMMISSION ON WOMEN

1980-81	$ 2,400
1981-82	$ 2,500

B. DEVELOPMENT

16. DEPARTMENT OF PARKS

1980-81	$ 24,121,400
1981-82	$ 25,991,900

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17. DEPARTMENT OF AGRICULTURE

1980-81	$ 1,414,000
1981-82	$ 1,381,800

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18. DEPARTMENT OF FISH AND WILDLIFE

	1980-81	$ 9,138,800
	1981-82	$ 9,857,000
19. DEPARTMENT OF COMMERCE		
	1980-81	$ 190,000
	1981-82	$ 120,000
20. DEPARTMENT FOR LOCAL GOVERNMENT		
	1980-81	$ 1,728,100
	1981-82	$ 1,728,100
21. KENTUCKY STATE HORSE PARK		
	1980-81	$ 2,456,000
	1981-82	$ 2,677,000
22. STATE FAIR BOARD		
	1980-81	$ 9,704,400
	1981-82	$ 10,384,200
23. KENTUCKY DEVELOPMENT FINANCE AUTHORITY		
	1980-81	$ 1,689,800
	1981-82	$ 2,057,800

C. EDUCATION

24. ARTS COMMISSION		
	1980-81	$ 50,000
	1981-82	$ 50,000
25. DEPARTMENT OF EDUCATION		
a. Administration and Finance for Local School Systems		
	1980-81	$ 665,000
	1981-82	$ 665,000
b. Vocational Education		
	1980-81	$ 14,814,800
	1981-82	$ 15,466,300
26. KENTUCKY EDUCATIONAL TELEVISION		
	1980-81	$ 285,000
	1981-82	$ 305,000
27. HISTORICAL SOCIETY		
	1980-81	$ 244,200
	1981-82	$ 243,200
28. DEPARTMENT OF LIBRARY AND ARCHIVES		
	1980-81	$ 97,000
	1981-82	$ 99,000
29. BUREAU FOR THE BLIND		
	1980-81	$ 890,000
	1981-82	$ 905,000

D. HIGHER EDUCATION

30. COUNCIL ON HIGHER EDUCATION		
	1980-81	$ 72,300

31. HIGHER EDUCATION ASSISTANCE AUTHORITY	
1980-81	$ 2,975,200
1981-82	$ 4,009,600
32. UNIVERSITY OF KENTUCKY	
1980-81	$122,923,700
1981-82	$127,313,200
33. UNIVERSITY OF LOUISVILLE	
1980-81	$ 68,713,000
1981-82	$ 69,025,200
34. EASTERN KENTUCKY UNIVERSITY	
1980-81	$ 21,911,700
1981-82	$ 21,911,600
35. WESTERN KENTUCKY UNIVERSITY	
1980-81	$ 16,280,100
1981-82	$ 16,858,100
36. MOREHEAD STATE UNIVERSITY	
1980-81	$ 9,368,300
1981-82	$ 9,553,300
37. MURRAY STATE UNIVERSITY	
1980-81	$ 10,531,800
1981-82	$ 10,804,300
38. KENTUCKY STATE UNIVERSITY	
1980-81	$ 3,634,400
1981-82	$ 3,634,400
39. NORTHERN KENTUCKY UNIVERSITY	
1980-81	$ 4,982,200
1981-82	$ 5,042,300

E. HUMAN RESOURCES

40. DEPARTMENT FOR HUMAN RESOURCES	
a. Bureau for Social Insurance	
1. Administration	
1980-81	$ 214,700
1981-82	$ 233,000
2. Benefits	
1980-81	$ 2,237,000
1981-82	$ 2,466,000
b. Bureau for Manpower Services	
1980-81	$ 1,349,500
1981-82	$ 1,379,000
c. Bureau for Health Services	
1980-81	$ 23,232,600
1981-82	$ 23,744,300
d. Bureau for Social Services	
1980-81	$ 9,068,900
1981-82	$ 9,387,100
e. Executive Policy Support	
1980-81	$ 5,078,200
1981-82	$ 5,471,800

F. JUDICIARY

41. JUDICIARY	1980-81	$ 231,500
	1981-82	$ 245,300

G. JUSTICE

42. DEPARTMENT OF JUSTICE		
a. Bureau of Training	1980-81	$ 192,000
	1981-82	$ 192,000
b. Bureau of Corrections	1980-81	$ 1,841,200
	1981-82	$ 2,159,700
c. Bureau of State Police	1980-81	$ 400,000
	1981-82	$ 400,000
d. Office for Public Advocacy	1980-81	$ 44,000
	1981-82	$ 51,000

H. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

43. DEPARTMENT FOR NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION		
a. Bureau for Natural Resources	1980-81	$ 492,000
	1981-82	$ 492,000
b. Bureau for Environmental Protection	1980-81	$ 730,000
	1981-82	$ 780,000

I. PUBLIC PROTECTION AND REGULATION

44. OFFICE OF THE SECRETARY	1980-81	$ 9,100
45. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL	1980-81	$ 4,000
	1981-82	$ 4,000
46. BOARD OF TAX APPEALS	1980-81	$ 7,100
47. DEPARTMENT OF INSURANCE	1980-81	$ 311,400
	1981-82	$ 310,900
48. DEPARTMENT OF LABOR		
a. Occupational Safety and Health	1980-81	$ 1,927,500
	1981-82	$ 2,059,000

For the state share of costs associated with the Occupational Safety and Health program from the Maintenance Fund.

b. Special Fund

1980-81	$ 47,258,800
1981-82	$ 64,446,000

c. Maintenance Fund

1980-81	$ 7,336,700
1981-82	$ 7,718,000

For the general operations of the Workmen's Compensation Board, and for the operations of the Uninsured Employer's Fund.

d. General Administration and Support

1980-81	$ 1,589,200
1981-82	$ 1,640,800

For administrative services provided to the Workmen's Compensation Board through the General Administration and Support program from the Maintenance Fund.

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49. DEPARTMENT OF MINES AND MINERALS

1980-81	$ 1,159,600
1981-82	$ 523,400

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50. KENTUCKY QUARTER HORSE AND APPALOOSA COMMISSION

1980-81	$ 17,200

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51. KENTUCKY STATE RACING COMMISSION

1980-81	$ 2,286,300
1981-82	$ 2,384,400

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52. KENTUCKY HARNESS RACING COMMISSION

1980-81	$ 1,387,000
1981-82	$ 1,425,000

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53. DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION

1980-81	$ 3,509,000
1981-82	$ 3,976,900

Included in agency receipts are receipts and expenditures in regard to the Elevator Inspection program.

J. TRANSPORTATION

54. DEPARTMENT OF TRANSPORTATION

a. Air Transportation

1980-81	$ 2,257,600
1981-82	$ 2,246,800

b. Highways

1. Bureau of Vehicle Regulation

1980-81	$ 1,145,000
1981-82	$ 1,245,000

K. ENERGY

55. DEPARTMENT OF ENERGY

1980-81	$ 1,910,400
1981-82	$ 1,015,100

PART III
FEDERAL FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending

June 30, 1981, and for the fiscal year ending June 30, 1982, Federal subventions, grants, contracts and other Federal funds received, income from investments and other miscellaneous Federal receipts received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Federal Fund out of which shall be established separate accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS chapter 12, 42, and 45.

In the event receipts received and credited to any Federal Fund account during fiscal year 1980-81 or fiscal year 1981-82, and any balance forwarded to the credit of any such account from the previous fiscal year, exceed, by the sum of five percent, the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Office for Policy and Management upon approval of the Secretary of the Department of Finance; provided, however, that institutions of higher education may receive and expend all federal funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Federal Fund account, through the Department of Finance, during the fiscal year ending June 30, 1981, and during the fiscal year ending June 30, 1982, all receipts placed to the credit of the Federal Fund for such year, out of which has been established a Federal Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Department of Finance. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Department of Finance and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures for the ensuing fiscal year, a comparison of any revised estimates with the amounts provided in the Executive Budget as adopted by the 1980 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of Finance, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Office for Policy and Management the credit and expenditure of such funds for statutory purposes. The Secretary of Finance shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of Finance, in consultation with the Interim Joint Appropriations and Revenue Committee, shall provide appropriate notice pursuant to this event to the Legislative Research Commission.

A. GENERAL GOVERNMENT

1. DEPARTMENT OF LAW

1980-81	$	232,400
1981-82	$	64,800

2. DEPARTMENT OF FINANCE

1980-81	$	55,000
1981-82	$	55,000

3. MILITARY AFFAIRS

1980-81	$	1,347,900
1981-82	$	1,422,100

B. DEVELOPMENT

4. DEPARTMENT OF AGRICULTURE

1980-81	$	2,209,300
1981-82	$	2,139,300

5. FISH & WILDLIFE

1980-81	$	3,173,000

1981-82	$ 3,261,500
6. DEPARTMENT OF COMMERCE	
1980-81	$ 125,700
1981-82	$ 70,000
7. DEPARTMENT OF LOCAL GOVERNMENT	
1980-81	$ 4,494,400
1981-82	$ 4,489,100

C. EDUCATION

8. ADVISORY COUNCIL FOR VOCATIONAL EDUCATION	
1980-81	$ 189,700
1981-82	$ 180,800
9. ARTS COMMISSION	
1980-81	$ 557,500
1981-82	$ 557,500
10. DEPARTMENT OF EDUCATION	
a. General Administration and Support Services	
1980-81	$ 78,188,400
1981-82	$ 84,439,300
b. Education for Exceptional Children	
1980-81	$ 13,937,900
1981-82	$ 15,161,500
c. Instruction	
1980-81	$ 63,339,600
1981-82	$ 63,991,500
d. Administration and Finance for Local School Systems	
1980-81	$ 253,500
1981-82	$ 213,500
e. Vocational Education	
1980-81	$ 16,944,300
1981-82	$ 17,263,000
f. Rehabilitation Services	
1980-81	$ 16,068,100
1981-82	$ 16,605,000
11. HERITAGE COMMISSION	
1980-81	$ 1,033,900
1981-82	$ 1,070,700
12. DEPARTMENT OF LIBRARY AND ARCHIVES	
1980-81	$ 1,139,600
1981-82	$ 1,103,600
13. BUREAU FOR THE BLIND	
1980-81	$ 1,889,400
1981-82	$ 2,009,100

D. HIGHER EDUCATION

14. COUNCIL ON HIGHER EDUCATION	
1980-81	$ 491,700

1981-82	$ 303,500

15. HIGHER EDUCATION ASSISTANCE AUTHORITY

1980-81	$ 1,198,000
1981-82	$ 1,248,000

16. UNIVERSITY OF KENTUCKY

1980-81	$ 29,475,100
1981-82	$ 29,627,600

17. UNIVERSITY OF LOUISVILLE

1980-81	$ 11,252,000
1981-82	$ 11,252,000

18. EASTERN KENTUCKY UNIVERSITY

1980-81	$ 2,332,300
1981-82	$ 2,332,300

19. WESTERN KENTUCKY UNIVERSITY

1980-81	$ 1,660,500
1981-82	$ 1,819,400

20. MOREHEAD STATE UNIVERSITY

1980-81	$ 2,195,500
1981-82	$ 2,195,500

21. MURRAY STATE UNIVERSITY

1980-81	$ 3,562,400
1981-82	$ 3,562,400

22. KENTUCKY STATE UNIVERSITY

1980-81	$ 5,255,700
1981-82	$ 5,255,700

23. NORTHERN KENTUCKY UNIVERSITY

1980-81	$ 1,058,000
1981-82	$ 1,058,000

E. HUMAN RESOURCES

24. DEPARTMENT FOR HUMAN RESOURCES

a. Bureau for Social Insurance

1. Administration

1980-81	$ 50,380,000
1981-82	$ 54,574,500

2. Benefits

1980-81	$470,085,600
1981-82	$507,322,200

b. Bureau for Manpower Services

1980-81	$ 80,271,500
1981-82	$ 86,242,700

c. Bureau for Health Services

1980-81	$ 36,431,500
1981-82	$ 36,417,800

d. Bureau for Social Services

1980-81	$ 59,522,900
1981-82	$ 61,315,700

The percentage share of Federal funds allocated 'through contract with Regional Mental Health-Mental Retardation Boards for fiscal years 1980-81 and 1981-82 for provision of social services under the state Title XX Plan shall be no less than the percentage share allocated to each board in its fiscal year 1979-80 contract with the Department.

e. Executive Policy and Support

1980-81	$ 15,839,000
1981-82	$ 17,029,500

F. JUDICIARY

25. JUDICIARY

1980-81	$ 901,500
1980-82	$ 421,400

G. JUSTICE

26. DEPARTMENT OF JUSTICE

a. Bureau of Training

1980-81	$ 43,200
1981-82	

b. Bureau of Corrections

1980-81	$ 274,600
1981-82	$ 94,700

c. Office for Public Advocacy

1980-81	$ 287,200
1981-82	$ 85,200

d. Justice Administration

1980-81	$ 5,455,300
1981-82	$ 4,944,800

H. NATURAL RESOURCES

27. DEPARTMENT FOR NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

a. Bureau for Natural Resources

1980-81	$ 973,700
1981-82	$ 656,400

b. Bureau for Environmental Protection

1980-81	$ 3,524,500
1981-82	$ 3,633,300

c. Bureau for Surface Mining

1980-81	$ 15,554,500
1981-82	$ 15,427,800

I. PUBLIC PROTECTION AND REGULATION

28. DEPARTMENT OF LABOR

a. Occupational Safety and Health

1980-81	$ 1,927,500
1981-82	$ 2,059,000

b. General Administration and Support

1980-81	$ 508,700
1981-82	$ 541,300

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29. DEPARTMENT OF MINES AND MINERALS

1980-81	$ 750,000
1981-82	$ 668,300

30. ENERGY AND UTILITY REGULATORY COMMISSION

1980-81	$ 162,900
1981-82	$ 97,800

31. DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION

1980-81	$ 158,200
1981-82	$ 66,000

J. TRANSPORTATION

32. DEPARTMENT OF TRANSPORTATION

a. Air Transportation

1980-81	$ 2,600,800
1981-82	$ 5,525,000

b. Public Transportation

1980-81	$ 12,571,300
1981-82	$ 12,458,800

e. General Administration

1980-81	$ 2,704,800
1981-82	$ 2,425,800

d. Highways

1. Bureau of Highways

1980-81	$242,245,000
1981-82	$216,750,000

K. ENERGY

33. DEPARTMENT OF ENERGY

1980-81	$ 1,720,400
1981-82	$ 1,720,400

PART IV
TRANSPORTATION FUND

Monies in the Transportation Fund are appropriated for use by the Department of Transportation in its activities, functions, and duties performed by it as prescribed by law. The Transportation Fund shall consist of all the state revenues realized from fees, taxes, and license fees levied for state road purposes authorized by law, and any additional or other revenues, grants, or funds, including any amount which may be received from Federal aid, bond funds, General Funds appropriated, or any other sources pursuant to the provisions of KRS 177.030, made available for the construction or reconstruction of public roads or for any other of the activities administered by the Department of Transportation. Such receipts and revenues, and unappropriated surplus, together with any balance as of June 30, 1980, shall constitute the Transportation Fund for the fiscal years 1980-81 and 1981-82 respectively. An annual budget for each fiscal year shall be submitted by the Department of Transportation to the Department of Finance for approval by June 1, 1980, for fiscal year 1980-81 and by June 1, 1981, for fiscal year 1981-82. The budget shall be based upon the most current State Road Fund estimates and Surplus, estimates of contractual and noncontractual Federal aid, General Fund appropriated, and funds and fees from any other source.

There is hereby authorized in the Transportation Fund a bond fund authorization of up to $150,000,000 in fiscal year 1980-81 and $150,000,000 in fiscal year 1981-82 for the constructing and rehabilitating of roads, along with the related costs, in the Kentucky primary road system. The related debt service payments or lease payments to the Kentucky Turnpike Authority, as appropriate, may be expended from funds appropriated to the Transportation Fund.

In the event the State Road Fund estimates are revised during the biennium the Department of Transportation shall submit its annual budget based upon the new estimates. These estimates are to be certified by the Commissioner of Revenue to the Secretary of the Department of Finance and upon the approval of the Governor the Secretary of the Department of Finance shall make the appropriate increases or decreases to the Department of Transportation's annual budget. If the State Road Fund estimates are increased or decreased during a fiscal year the Department of Transportation shall request from the Department of Finance with approval of the Governor authority to increase or decrease its annual budget in accordance with Part VI, General Provisions, Section 8 of this Act. The following monies are appropriated from the State Road Fund.

A. TRANSPORTATION

1. DEPARTMENT OF TRANSPORTATION
    a. General Administration
        1980-81 .... $ 36,696,600
        1981-82 .... $ 38,977,200
    b. Highways
        1) Bureau of Highways
            1980-81 .... $415,017,800
            1981-82 .... $468,534,400

a) Rural Highways

i. County Road Aid. For construction, reconstruction, improvement, and maintenance of county roads and bridges the designated portion of all revenue received pursuant to KRS 138.220 and 138.565 shall be expended in accordance with KRS 177.320(2). These funds shall be distributed in accordance with the formula prescribed by the provisions of KRS 177.360.

ii. Rural Secondary Roads. For construction, reconstruction, and maintenance of rural and secondary roads, the designated portion of all revenue received pursuant to the provisions of KRS 138.220 and 138.565, shall be expended in accordance with KRS 177.320. These funds shall be distributed in accordance with the formula prescribed by the provisions of KRS 177.360. In addition, pursuant to the duties and responsibilities of county judges/executives associated with the administration of the local county road program, beginning January 1, 1978, the expense allowance for each county judge/executive shall be paid from the Transportation Fund. These expenses shall be paid from those appropriated funds for the rural secondary road revenue sharing program as provided in KRS 177.360 and KRS 67.

b) Municipal Aid. For the construction, reconstruction, and maintenance of urban roads, streets, and bridges, the designated amounts received pursuant to the provisions of KRS 138.220 and 138.565, shall be expended and distributed in accordance with KRS 177.365 through 177.368.

2) Bureau of Vehicle Regulation (Except Division of Water Enforcement)
    1980-81 .... $ 3,739,000
    1981-82 .... $ 3,786,400

Total - Highways
    1980-81 .... $418,756,800
    1981-82 .... $472,320,800

TOTAL - DEPARTMENT OF TRANSPORTATION
    1980-81 .... $455,453,400
    1981-82 .... $511,298,000

PART V
CAPITAL CONSTRUCTION FUND

Monies in the Capital Construction fund are appropriated for the following capital projects.

	1980-81	1981-82
A. GENERAL GOVERNMENT		
1. Capital Plaza		
a. Repair and Renovation of Facilities		
The sum of $1,275,000 has been provided from available Project 17 bond funds.		
2. Military Affairs		
a. Replacement Armory - Williamsburg		
Revenue Sharing		62,400
Federal Funds		759,700
Total		822,100
b. Armory Addition - London		
Revenue Sharing		30,000
Federal Funds		444,700
Total		474,700
c. Armory Addition - Bowling Green		
Revenue Sharing		66,300
Federal Funds		480,400
Total		546,700
d. United States Property and Fiscal Office Addition - Frankfort		
Federal Funds		765,000
Agency Receipts		89,000
Total		854,000
e. Organizational Maintenance Shop Addition - London		
Federal Funds	103,100	
Agency Receipts	4,000	
Total	107,100	
f. Organizational Maintenance Shop - Ashland		
Revenue Sharing		59,000
Federal Funds		14,800
Total		73,800
g. Organizational Shop - Owensboro		
Revenue Sharing		38,800
Federal Funds		12,000
Total		50,800
h. Major Maintenance and Repair		
Revenue Sharing	500,000	700,000
Federal Funds	102,000	
Total	602,000	700,000
3. Finance		
a. Capitol Building - Terrace Renovation/ Exterior Cleaning		
Revenue Sharing	500,000	1,500,000
b. Kentucky Emergency Warning System		
Revenue Sharing	1,065,000	236,000
c. Central Control System Expansion		
Revenue Sharing	538,600	500,000
d. Storage Facility - Physical Plant		
Revenue Sharing	68,000	
e. Governor's Mansion - Mechanical, Electrical and Interior Renovation		
Revenue Sharing	1,750,000	
f. Emergency Repair, Maintenance, and Replacement Fund		

	1980-81	1981-82
Investment Income	500,000	5,000,000

The sum of $4,500,000 in the DHR/DNR Consolidated Laboratory Account may be transferred in Fiscal Year 1980-81 to bring the available funds for 80-81 to $5,000,000. Transfers from this fund shall be made in accordance with KRS 45.780.

g. Capital Construction and Equipment Purchase Contingency Fund		
Investment Income	5,000,000	5,000,000

Transfers from this fund shall be made in accordance with KRS 45.770.

h. 504 Handicapped Projects		
Revenue Sharing	5,000,000	5,000,000

Any project exceeding $200,000 shall be reported to the Capital Construction and Equipment Purchase Oversight Committee.

i. Word Processing Information System		
Revenue Sharing	55,000	20,000
j. Electronic Pre-Sort Mail Processing Equipment		
Revenue Sharing	212,000	
k. Jet Ranger Helicopter - 2,400 Hour Inspection		
Revenue Sharing	51,000	
l. Jet Ranger Helicopter - Replace Engine		
Revenue Sharing	35,000	
m. Navajo - Replace Engines		
Revenue Sharing	70,000	
n. Bell Long Ranger Helicopter		
Revenue Sharing	500,000	
o. Aircraft - Purchasing and Leasing		
Revenue Sharing	750,000	
Agency Fund	200,000	200,000
Total	950,000	200,000
p. Kentucky Center for the Arts		
Bond Fund	1,500,000	
Local Fund	11,500,000	
Total	13,000,000	

B. DEVELOPMENT

1. Secretary of the Development Cabinet		
a. Economic Development Projects		
Bond Fund	50,000,000	50,000,000

The Secretary for Development Cabinet shall report to the Secretary of the Department of Finance and the Legislative Research Commission those projects which have been awarded bond funds proceeds.

2. Department of Commerce		
a. Riverport Development Authorities		
Revenue Sharing	500,000	7,000,000
Investment Income	4,500,000	
Total	5,000,000	7,000,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

3. Department of Parks		
a. Mechanical and Structural Upgrades, Water Districts and Sewage Improvements		
Revenue Sharing	1,075,000	1,250,000
Agency Fund	175,000	
Total	1,250,000	1,250,000
b. Small Construction Projects		
Revenue Sharing	500,000	500,000
c. Roadway and Parking Improvements		

			1980-81	1981-82
		Revenue Sharing	500,000	500,000
	d.	Fuel Conservation Phase I		
		Revenue Sharing	100,000	400,000
4.		Kentucky Horse Park		
	a.	Special Events Facility		
		Bond Fund	765,000	
5.		Kentucky State Fair Board		
	a.	Recreational Vehicle Park		
		Bond Fund	1,665,000	
	b.	Ring Road and Additional Parking		
		Bond Fund	2,125,000	
	c.	Electric Power Improvements and Lighting Upgrades		
		Bond Fund	1,275,000	
	d.	Carnival Midway Site		
	e.	Relocation of Horse Barns		
		Bond Fund	1,925,000	
	f.	Fairgrounds Stadium Press Box		
		Bond Fund	425,000	
	g.	Maintenance and Service Workhouse		
		Bond Fund	1,700,000	
	h.	Hofgesang Property		
		Bond Fund	2,000,000	
	i.	Parking Structure II		
		Bond Fund	3,248,200	
	j.	Galleria		
		Bond Fund	8,000,000	
	k.	Major Maintenance and Repair		
		Agency Fund	500,000	500,000

The above item consists of Maintenance projects estimated to cost less than $200,000 each.

			1980-81	1981-82
	l.	Replace Doors and Frames - Coliseum, East and West Wings, and Pavilion		
		Agency Fund	250,000	
	m.	60' Boom Truck		
		Agency Fund	75,000	
	n.	Renovation of Coliseum Restrooms		
		Agency Fund	240,000	
	o.	Replacement of Landscaping		
		Agency Fund	50,000	
	p.	General Repairs to Stadium		
		Agency Fund	275,000	
	q.	Painting Underside of Stadium Roof		
		Agency Fund	50,000	
	r.	Renovation of Stadium Restrooms		
		Agency Fund	220,000	
	s.	Roof Replacement - Stadium Lobby		
		Agency Fund	300,000	
	t.	Replace Coliseum Boilers and Tie in to Central Computer Controls		
		Agency Fund	800,000	
	u.	Development of Office Space - 2nd Level of Coliseum		
		Agency Fund	200,000	

	1980-81	1981-82
v. HVAC Piping and Insulation Replacement		
Agency Fund	425,000	
w. Front End Loader		
Agency Fund	65,000	
x. Light Fixture Replacement - Coliseum, East and West Wings, and Pavilion		
Agency Fund	452,500	
y. Replace Doors and Frames in Stadium		
Agency Fund	45,000	
C. ENERGY		
1. Administration and Support		
a. Administration Building Porch Restoration		
Revenue Sharing	35,000	
b. Lease-Hold Improvements		
Revenue Sharing	250,000	
D. EDUCATION AND THE ARTS		
1. Kentucky School Building Authority		
a. Bowling Green State Vocational - Technical School		
b. Cumberland Valley Health Occupations Center		
c. Northern Kentucky Health Occupations Center		
d. Glasgow Health Occupations Center		
e. Madisonville Dormitory, SVTS		
f. Mayo (Paintsville) Dormitory, SVTS		
g. Somerset SVTS Diesel Mechanics Facility		
h. Regional 1 Dormitory, Western Kentucky SVTS		
2. School for the Deaf		
a. Upper School Dorm - Phase B.		
Revenue Sharing	2,250,000	
b. Thomas P.E. Building - Roof and Floor Repair		
Revenue Sharing	65,000	
3. School for the Blind		
a. New Dormitory - Cost Overrun		
Revenue Sharing	240,000	
b. Addition to Classroom Building		
Revenue Sharing	315,500	2,317,000
4. Department of Library and Archives		
a. Department of Library and Archives Building		
Bond Fund	2,500,000	
b. Central Utility Plant/ Electric Service/ Sewer Service		
Bond Fund	7,150,000	
E. HIGHER EDUCATION		
1. Council on Higher Education		
a. Sports Arenas		
Revenue Sharing		500,000
2. University of Kentucky		
a. Primary Care Center		

		1980-81	1981-82
	Bond proceeds of $12,500,000 will be used for construction.		
b.	Patient Parking Structure		
c.	Pharmacy Building		
	Bond Fund		8,230,000
d.	Southeast Community College Technical Building/ Learning Resources Center		
	Bond Fund		2,100,000
e.	Development Building		
	Agency Fund	350,000	
f.	Poultry Facility		
	Agency Fund	856,300	
g.	Animal Care Facility Renovation		
	Agency Fund	250,000	
h.	Medical and Dental Science Wings Renovation, Medical Center		
	Agency Fund	250,000	
i.	Medical Offices and Lab Spaces Renovation, Phase I		
	Agency Fund	272,000	
j.	Medical Offices and Lab Spaces Renovation, Phase II		
	Agency Fund		335,000
k.	Enclosure of Annex II, Medical Center		
	Agency Fund	843,000	
l.	Hospital Elevator Upgrade		
	Agency Fund	453,000	
m.	Hospital Interior Maintenance, Phase I		
	Agency Fund	300,000	
n.	Interior Maintenance - Medical and Dental Offices - Phase II		
	Agency Fund		250,000
o.	University Hospital - North Wing Ground Floor Renovation		
	Agency Fund	200,000	
p.	University Hospital House Staff Quarters		
	Agency Fund		620,000
q.	University Hospital Plan		
	Agency Fund		500,000
r.	McVey Hall Renovation		
	Agency Fund		1,600,000
s.	Student Center Expansion		
	Bond Fund	4,080,000	
t.	Miscellaneous Projects		
	Agency Fund	3,200,000	3,200,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

		1980-81	1981-82
u.	Computerized Axial Tomography Scanner		
	Agency Fund	1,100,000	
v.	Clinical Lab Computer		
	Agency Fund		600,000
w.	Diagnostic Radiology Computer		
	Agency Fund		100,000
x.	Instructional Computer		
	Agency Fund	600,000	

		1980-81	1981-82
y.	Liquid Scintillation Counter		
	Agency Fund	65,000	
z.	Mass Spectrometer - Gas Chromatograph		
	Agency Fund		200,000
aa.	Mass Spectrometer		
	Agency Fund	374,000	
bb.	Superconducting Magnetic Resonance Spectrometer		
	Agency Fund		320,000
cc.	Diesel Dump Truck		
	Agency Fund	63,000	
dd.	Garbage Truck		
	Agency Fund	90,000	
3.	University of Louisville		
a.	Social Science - Education		
b.	Science - Chemistry Building		
c.	Teaching Hospital		
d.	Teaching Hospital Group II Medical Equipment		
i.	Whole Body Nuclear Scanner		
ii.	B-Mode Gray Scale Real-Time Ultrasound Unit		
iii.	Portable Gamma Camera		
iv.	Computer for Nuclear Scanner		
v.	Radiographic System for Special O.R.		
vi.	Portable Fluoroscopic Units		
vii.	Cystoscopic Unit with Fluoroscopic Capabilities		
viii.	Automicrobic System		
ix.	Head Radiographic Unit		
x.	Radiographic/ fluoroscopic System		
xi.	Radiographic System		
xii.	Remote Radiographic and Fluoroscopic System		
xiii.	Routine Radiographic System with Tomographic Capabilities		
xiv.	Office Equipment Under $50,000 per Item		
e.	Belknap Theater Relocation		
f.	Law School Expansion		
g.	Reynolds Building Renovation		
	Agency Fund	790,900	
h.	Schneider Library Renovation		
	Agency Fund	50,000	300,000
i.	Miscellaneous Projects		
	Agency Fund	1,080,600	268,400

Projects estimated to exceed $200,000 in cost shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

j.	Data Entry System		
	Agency Fund	120,000	
k.	Database Management System		
	Agency Fund	100,000	
l.	Disk and Tape Drives Added to DEC 10-90		

		1980-81	1981-82
	Agency Fund	93,000	
m.	Memory and A-Sychronous Communication Line to DEC 10-90		
	Agency Fund	111,000	
n.	Additional Equipment for IBM 370/148		
	Agency Fund		200,280
o.	Graphics Printing Equipment		
	Agency Fund	100,000	100,000
p.	Phototypesetting Equipment		
	Agency Fund	150,000	65,000
q.	High Volume Copying Equipment		
	Agency Fund		81,000
r.	Binding Equipment		
	Agency Fund		126,000
s.	Word Processing Equipment		
	Agency Fund	300,000	
t.	Automated Circulation System		
	Agency Fund		201,000
u.	Fourier Transform Infrared Spectrophotometer		
	Agency Fund	110,000	
v.	Amino Acids Analyzer		
	Agency Fund		65,000
w.	Minicomputer - PDP II		
	Agency Fund	75,000	
x.	GC-Mass Spectrometer		
	Agency Fund	130,000	
y.	Electron Microscopic and Microprobe Analysis		
	Agency Fund	253,000	
z.	Liquid Scintillation and Gamma Counters		
	Agency Fund	55,000	
aa.	GC-Mass Spectrometer		
	Agency Fund		130,000
bb.	Preparative and Analytical Ultracentrifuges		
	Agency Fund	72,000	
cc.	Liquid Scintillation and Gamma Counters		
	Agency Fund		55,000
dd.	Gamma Irradiator		
	Agency Fund		64,000
ee.	Preparative and Analytical Ultracentrifuge		
	Agency Fund		72,000
ff.	GC-Mass Spectrometer		
	Agency Fund	130,000	
gg.	Scanning Electron Microscope and Microprobe		
	Agency Fund		253,000
hh.	Special Animal Cage Cleaning Equipment		
	Agency Fund	100,000	
4.	Eastern Kentucky University		
a.	Administrative Computer		
	Agency Fund	1,200,000	
b.	Academic Computer		
	Agency Fund	250,000	

		1980-81	1981-82
c.	Sullivan Hall Renovation		
	Agency Fund	150,000	850,000
d.	University Building Renovation		
	Agency Fund	200,000	1,103,000
e.	Miscellaneous Projects		
	Agency Fund	400,000	425,000

Projects estimated to exceed $200,000 in cost will be reported to the Secretary of Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

5.	Western Kentucky University		
a.	North Wing Thompson Science Complex Renovation		
	Agency Fund	450,000	
b.	Improvements to Grise Hall		
	Agency Fund	400,000	
c.	Downing University Center Roof Replacement		
	Agency Fund	495,000	
d.	Cherry Hall Roof Replacement		
	Agency Fund	250,000	
e.	Miscellaneous Projects		
	Agency Fund	300,000	300,000

Projects estimated to exceed $200,000 in cost will be reported to the Secretary of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

f.	Instructional Computer		
	Agency Fund	80,000	80,000
g.	Administrative Computer		
	Agency Fund	120,000	120,000
6.	Murray State University		
a.	University Center Equipment		
	Revenue Sharing	300,000	
b.	Wrather Hall Renovation		
	Revenue Sharing	67,000	
c.	Veterinary Diagnostic and Research Center		
	Agency Fund	951,000	
d.	Student Recreational Facility		
	Agency Fund	390,000	
e.	University Farm Greenhouse		
	Agency Fund		343,000
f.	Residence Hall Convecting and Chiller Systems		
	Agency Fund	320,000	
g.	Environmental Controls in Woods Hall		
	Agency Fund	300,000	
h.	Elevator Replacement House and Dining Systems		
	Agency Fund	200,000	
i.	Miscellaneous Projects		
	Agency Fund	1,000,000	1,000,000

Projects estimated to exceed $200,000 in cost shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

j.	Instructional, Administrative, and Research Computer		
	Agency Fund	250,000	
7.	Morehead State University		
a.	Academic Athletic Center Equipment		
	Revenue Sharing	148,000	
b.	Mays Hall Renovation		

	1980-81	1981-82
Agency Fund	250,000	
c. Thompson Hall Renovation		
Agency Fund		250,000
d. Field Hall Renovation		
Agency Fund	250,000	
e. Miscellaneous Projects		
Agency Fund	453,000	155,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

f. Educational Research Computer System		
Agency Fund	390,000	
g. Type Setting System		
Agency Fund		115,000
8. Northern Kentucky University		
a. Power Plant Development		
b. Health and Physical Education Center		
c. Completion of the Science Center		
d. Nunn Hall Renovation		
e. Maintenance and Operation Storage Building		
f. Student Housing		
Federal Fund	4,438,000	
g. Communications Center Renovation		
Agency Fund	100,000	197,000
h. Miscellaneous Projects		
Agency Fund	261,000	261,000
9. Kentucky State University		
a. Atwood Hall Renovation		
b. Hunter Hall Renovation		
Revenue Sharing	200,000	846,000
c. Underwood Cafeteria Renovation		
Revenue Sharing	1,074,700	
d. Miscellaneous Projects		
Agency Fund	378,000	427,400

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

e. Bus Purchase		
Agency Fund	110,000	
F. HUMAN RESOURCES		
1. Bureau for Health Services		
a. Hazelwood Hospital Ceilings Replacement		
Revenue Sharing	814,000	
b. Eastern State Hospital Wendell Building -		
Revenue Sharing	1,649,000	
Buildings #56, 57, 58		
Revenue Sharing	5,491,000	
Total	7,140,000	
c. Central State Hospital Lyons and Shelby Bldgs.		
Revenue Sharing	2,337,000	
d. Oakwood Hospital Roof Replacement		
Revenue Sharing	1,400,000	
e. Local Health Department Improvements		

	1980-81	1981-82
Revenue Sharing	1,000,000	1,000,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

	1980-81	1981-82
f. Western State Hospital Plumbing Renovation		
Revenue Sharing	691,000	
g. Outwood State Hospital New Facility		
Bond Fund	2,500,000	
h. Central State Hospital ICF/MR Facility		
i. Miscellaneous Projects		
Revenue Sharing		300,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction Equipment Purchase Oversight Committee.

	1980-81	1981-82
2. Executive Policy Support		
a. Ashland Youth Development Center (Ashland Office Bldg.)		
Revenue Sharing	100,000	
b. Miscellaneous Projects		
Revenue Sharing	590,500	

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

	1980-81	1981-82
c. Harlan State Office Building		
Revenue Sharing		2,400,000
d. Morehead State Office Building		
Revenue Sharing		1,100,000
e. Pikeville State Office Building		
Revenue Sharing		886,000
f. Danville State Office Building		
Revenue Sharing		614,000
3. Bureau for Social Services		
a. Northern Kentucky Treatment Center		
Revenue Sharing	102,500	
b. Miscellaneous Projects		
Revenue Sharing	897,500	200,000

Projects estimated to cost over $200,000 shall be reported to the Secretary of the Department of Finance and the Capital Construction and Equipment Purchase Oversight Committee.

G. JUSTICE

	1980-81	1981-82
1. Bureau of Corrections		
a. Luckett Correctional Institution		
Investment Income	2,815,900	
b. Luckett Correctional Institution		
Investment Income	1,568,000	
c. Kentucky State Penitentiary Housing Unit		
Investment Income	641,000	1,050,000
Revenue Sharing		3,950,000
Total	641,000	5,000,000
d. New 500-Man Institution		
Bond Fund	25,000,000	
e. Kentucky State Reformatory Renovate Two Dorms		
Investment Income	518,400	
Revenue Sharing		518,400
Total	518,400	518,400
f. Kentucky State Penitentiary Sewage Treatment		
Investment Income	200,000	

	1980-81	1981-82
g. Kentucky State Penitentiary Locking System		
Investment Income	506,700	
Revenue Sharing	243,300	
Total	750,000	
h. Kentucky State Penitentiary Cellhouse Renovation		
Revenue Sharing		1,200,000
i. Kentucky State Reformatory Electrical System		
Revenue Sharing	812,000	
j. Kentucky State Penitentiary Electrical Distribution System		
Revenue Sharing		1,077,600
k. Kentucky State Penitentiary Steam Loop		
Revenue Sharing	300,000	
l. Kentucky State Reformatory Visiting Building		
Revenue Sharing		267,300
m. Kentucky State Penitentiary Electric Boiler Repair		
Revenue Sharing	250,000	
n. Kentucky State Penitentiary Receiving Warehouse		
Revenue Sharing		500,000
o. Miscellaneous Projects		
Revenue Sharing	357,200	
H. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION		
1. Department for Natural Resources and Environmental Protection		
a. Repair of State-Owned Dams		
Revenue Sharing	1,000,000	1,000,000
b. Community Flood Damage Abatement		
Revenue Sharing	600,000	1,400,000
Communication System		
Revenue Sharing	400,000	600,000
I. PUBLIC PROTECTION AND REGULATION		
1. Energy and Utility Regulatory Commissions		
a. Meter Standards Laboratory Exterior Brick Repair		
Revenue Sharing	60,000	
b. Computer Controlled Watthour Meter Comparator Catalog 1500		
Revenue Sharing	59,400	
3. Department of Insurance		
a. Fire and Tornado Fund Fire and Life Safety Improvement Projects		
Agency Fund	1,200,000	1,300,000

Those projects listed by title in this Act but for which no funds are shown are previously authorized projects for which there is sufficient funding available for completion in the absence of any additional funding in the 1980-82 biennium. In the event that any authorized capital construction and/or equipment purchase projects are cancelled it is the intent of the General Assembly that any appropriated debt service for those same projects shall remain unallotted and lapse to the General Fund surplus. Those projects set forth under the sub-heading "higher education" are subject to the action and approval of the Council on Higher Education and subject to the approval of the Department of Finance. Any funds remaining in projects no longer authorized on July 1, 1980, under the provisions of KRS 45.750 through 45.990 shall lapse to the Capital Construction Emergency Repair, Maintenance and Replacement Fund to be expended in accordance with the provisions of KRS 45.780. Notwithstanding the provisions of KRS 45.770, the Capital Construction and Equipment Purchase Contingency Fund may be used to advance funds to projects authorized to be financed by bonds and may be used to finance feasibility studies for projects which may be contemplated for future funding.

Included in the above appropriation is a $50,000,000 Economic Development bond authorization for each fiscal year. This funding is recommended for projects that are associated with economic development and will be identified during the 1980-82 biennium by the Secretary of the Development Cabinet. Examples of projects that may be included are riverports, parks, economic development, energy development and tourism. No bonds may be issued for these projects in the absence of prior consultation with the Capital Construction and Equipment Purchase Oversight Committee.

Inasmuch as the identification of specific projects in a variety of areas of the State Government cannot be ascertained with absolute certainty at this time, it is the purpose and intent of the General Assembly, the provisions of KRS 45.750 through 45.990 notwithstanding, to appropriate amounts for specific purposes to projects which are not individually identified herein in the following areas: Community Flood Damage Abatement, Local Health Construction, Riverport Development, Repair of State-Owned Dams, School Building Authority, Economic Development Projects, Coal Severance Economic Aid Fund and Area Development Fund.

All monies transferred to the Department of Finance for capital construction from any appropriations, including income from investments, shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Department of Finance for capital construction.

The Legislative Research Commission shall cause to be conducted an audit of the capital construction fund for the period, July 1, 1970 through July 1, 1980. The audit shall be a full governmental audit conducted according to governmental accounting standards and shall include the financial, statutory compliance, and program aspects of the capital construction fund. The audit shall include, but not be limited to, the following information:

(1) A complete list and summary description of every capital construction project and major item of equipment approved during the period July 1, 1970 through July 1, 1980 that is not completed on the effective date of this Act;

(2) For each project and item of equipment, as of July 1, 1980;

(3) The project phase;

(4) The project account number, project name, and any other term employed to identify the project or item;

(5) The available balance in the project or item account, and any sums considered available for that project or item;

(6) A statement of the transfers of funds to or from the project, item, or project or item account; and, the project or item account, or account, to which transfers from each project or item, project or item account, or account has been made;

(7) The year in which the project or item was approved, with specific reference to the legislation by which the project or item was approved;

(8) Total expenditure on the project or item;

(9) A statement that the project of item is either active or inactive;

(10) The current estimated completion cost, including the amount required for annual inflation;

(11) A statement that additional funds for the completion of the project or item are or are not required; and if required, why sufficient funds for completion are not available;

(12) Justification for the project or item;

(13) The balance in the appropriated, but unallotted account; and the balance in any account, however designated, that contains appropriated, but unallotted funds.

Every department, agency and other units of state government shall cooperate fully with the firm selected to conduct this audit.

If at end of any fiscal year the monies and securities to the credit of the State Fire and Tornado Insurance Fund exceed $2,000,000 and if conditions with respect to life and fire safety in state properties are such as not to require the expenditure of all excess funds for improvements to said conditions, then the Secretary of the Department of Finance, with the concurrence of the Commissioner of Insurance, shall transfer up to $1,200,000 in fiscal year 1980-81 and $1,300,000 in fiscal year 1981-82 of the amount of such excess not so required and may authorize its transfer to the Capital Construction Fund, for expenditure in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes.

General Revenue Sharing funds are appropriated in accordance with the provisions of the Federal State and Local Fiscal Assistance Act of 1972 and extension thereof. In the event these monies, or any portion thereof, are not made available to the Commonwealth, the Secretary of the Department of Finance may take appropriate action as required by Part VI, General Provisions, Section 8 of this Act. In addition, in the event that General Revenue Sharing funds may not become available, the Secretary of the Department of Finance is also empowered to substitute other sources of funding, including any funds remaining in projects no longer authorized on July 1, 1980, as may be available in order to finance capital construction projects as specified herein not to exceed the individual project recommended appropriation amount. Prior to substituting funding for a project identified herein to be funded with General Revenue Sharing funds that may not have become available, the Department of Finance shall present to the Capital Construction and Equipment Oversight Committee, for its review, the specification of the new source of funding and its amount.

In the event a state-level commission to review local government finances is a requirement for continued state participation in the General Revenue Sharing program, the Secretary of the Department of Finance is hereby authorized to allocate up to $500,000 from the Commonwealth's revenue sharing entitlement for expenditure by this commission in fulfilling its required duties as may be specified under federal law.

The provisions of KRS 45.750 through 45.990 notwithstanding it is the intent of the General Assembly that capital construction projects at institutions of higher education involving no state or Federal funds, may be authorized between Regular Sessions of the General Assembly, providing that such projects receive prior approval from both the Council on Higher Education and the Secretary of the Department of Finance, and that the Capital Construction and Equipment Purchase Oversight Committee receives prior notification.

PART VI
GENERAL PROVISIONS

1. Nothing in this Act shall be construed to repeal any appropriation made hereinbefore or hereinafter for the fiscal year ending June 30, 1980 and nothing in this Act is to be construed as amending or altering the provisions of Chapters 42 and 45 of the Kentucky Revised Statutes pertaining to the duties and powers of the Secretary of the Department of Finance. All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which such appropriation may be expended shall be decided by the Secretary of the Department of Finance in accordance with the detailed estimates embodied in the Executive Budget 1980-82 and supporting work papers, as considered by the 1980 Regular Session and the decision of the Secretary of the Department of Finance shall be final and conclusive.

2. In enacting this Appropriation Act, it is the deliberate intention of the General Assembly to enact each section, and each subsection thereof as a separate and/or specific appropriation and law, and if any section, any subsection, or any provision thereof shall be held invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.

3. The Secretary of the Department of Finance is authorized to establish a system or formula or a combination of both for pro-rating the administrative costs of the Department of Personnel, Department of Finance, Treasury, and Law relative to the administration of programs in which there is joint participation by the State and Federal Governments for the purpose of receiving the maximum amount of participation permitted under the appropriate Federal laws and regulations governing such programs.

4. All continuing appropriations in existence at the time this Act takes effect are discontinued and repealed by this Act, notwithstanding any provisions of the Kentucky Revised Statutes to the contrary, except as provided by Chapters 12, 42, 56, 152, 177 and 341 of the Kentucky Revised Statutes. All laws and portions of laws in conflict with any of the provisions of this Section, to the extent of such conflict, are hereby repealed.

5. No state agency, cabinet, department, office or program shall incur any obligation against the General Fund appropriations contained herein unless such obligation may be reasonably determined to have been contemplated in the Governor's budget proposal and is supported by appropriate work papers and other records pertaining thereto.

6. Any General Fund appropriation made herein in anticipation of a lack, loss or reduction of Federal grants shall lapse to the General Fund to the extent such Federal funds otherwise become available.

7. In the event that Federal monies become available to the Commonwealth under Title IV of Public Law 95-87, it is the intent of the General Assembly that these monies be appropriated to the Department of Finance to be used for nonrecurring projects in accordance with the intent of the Federal law.

8. Whereas, inasmuch as the finances of the Commonwealth cannot be ascertained with absolute certainty at this time, and since the actual needs of each officer, cabinet, department, board, commission, institution, agency or other activity or subdivision of state government can only be anticipated and not finally determined by the General Assembly, and since the total amount of revenue accruing to the General Fund and to the Transportation Fund and accruing from various fees or from Federal funds from which appropriations are made can only be anticipated as being produced through existing laws and those that may hereafter be enacted, and recognizing the complex nature of the economy, it is the purpose and intention of this Act that the expenditures for each fiscal year shall not exceed the total financial resources accruing to any Fund,

as defined in KRS Chapter 45, for the same fiscal year. As the conditions cannot be fully determined until after the adjournment of the 1980 General Assembly, and as the needs of each officer, cabinet, department, board, agency, commission, institution, subdivision or activity of state government, together with the total financial resources accruing to the General Fund and the Transportation Fund cannot be fully determined at this time, it is the intention and purpose of this General Assembly that the Secretary of the Department of Finance, with the advice of the Commissioner of the Department of Revenue, upon approval of the Governor of the Commonwealth, is authorized, empowered and directed to ascertain and determine the needs of each officer, cabinet, department, board, commission, institution, subdivision, agency or other activity of state government and to ascertain the total financial resources anticipated to be accrued to the General Fund and the Transportation Fund of the Commonwealth, and upon the ascertainment and determination of said facts, he, the Secretary of the Department of Finance, in the manner set forth as provided by general law, is authorized, empowered, and directed by the General Assembly to prevent an overdraft or deficit in any fiscal year for which appropriations are herein made, by equitably reducing, according to needs, without discrimination, the appropriations herein made from the General Fund and Transportation Fund to each officer, cabinet, department, board, commission, institution, subdivision, agency or other activity in state government, provided, however, that the power invested shall not permit any reduction of the appropriations of any officer, cabinet, department, board, commission, institution, subdivision, agency or other activity of state government that will actually impair the necessary constitutional functions of such agency or activity, the operations and functions of which are determined to be necessary constitutional functions of state government.

9. In the event that General Fund expenditures for fiscal years 1979-80 or 1980-81 are less than the General Fund appropriations for those same fiscal years after the close of the official accounting records of the department of finance for fiscal years 1979-80 and 1980-81, respectively, such funds, less funds required to maintain an estimated general fund surplus for fiscal year 1980-81 and 1981-82 in an amount equal to one percent (1%) of the department of revenue's official general fund revenue estimate for those respective fiscal years, shall be transferred in an amount not to exceed $25 million in each fiscal year from the general fund to a savings fund in the state treasury which is hereby established. Monies in the savings fund are hereby appropriated to the department of finance to be expended for emergencies, for excess necessary governmental expenses as provided in Part I, for state legislation enacted by the 1980 general assembly mandating programs for which there is no appropriation, for increased funding mandated by the federal government, including the federal courts, for capital construction projects funded by federal revenue sharing, should such funds be unavailable or insufficient for specified projects in Part V, and for any other necessary expenditure proposed by the Governor, except that the first $3 million transferred to the savings fund in each fiscal year shall be transferred to the account of the Kentucky School Building Authority for payment of debt service, and such funds are hereby appropriated for that purpose. No funds may be expended under this section, except those funds transferred and appropriated to the Kentucky School Building Authority, in the absence of prior consultation with the Interim Joint Committee on Appropriations and Revenue.

10. The Secretary of Finance shall cause the office for policy and management to prepare a final budget memorandum based upon the executive budget proposal as modified and adopted by the 1980 General Assembly as well as other acts which provide appropriation during the 1980-82 biennium and based upon supporting documentation and records as considered by the 1980 General Assembly. This memorandum shall include for each agency and budget unit a consolidated budget summary statement of available regular and continuing appropriated revenue by fund source, corresponding appropriation allocations by program or subprogram as appropriate, budget expenditures by major budget class and such other fiscal data and commentary considered necessary by the Office for Policy and Management for budget execution and oversight. A copy of the final budget memorandum shall be provided to the appropriate agency and the Legislative Research Commission. Any amendments approved by the Department of Finance shall be communicated to the Interim Joint Appropriations and Revenue Committee.

11. All funds received under the Federal Social Security Amendments of 1977, Public Law 95-216 (H.R. 9346, Sec. 401, 402, and 405) are hereby appropriated to the Department for Human Resources to be used to implement Community Work Experience programs as established under KRS 205.650 - 205.700. In enacting this section of this Appropriation Act, it is the deliberate intention of the General Assembly that these funds should be used, within federal law and regulation, for federal match whenever possible to maximize their statewide impact.

12. It is the intent of the General Assembly that the Secretary of Finance shall be empowered and directed to transfer all funds appropriated to various agencies of state government in Part I for the operation and maintenance of the Kentucky Early Warning System (KEWS) to the Department of Finance to administer and manage the system.

Amend printed copy of **HB 931** on page 36, line 15, by inserting the following after the period: "Also included in the above appropriations is $500,000 for 1980-81 and $1,000,000 for 1981-82 for the purchase of textbooks for non-public schools. The Department may purchase and distribute the textbooks or it may transfer these funds to another agency of state government to purchase and distribute the textbooks to non-public schools."

and on page 53, lines 19 and 20 by deleting same and inserting language to read as follows:

"1980-81	$20,968,200
1981-82	$21,902,200";

and on page 52, lines 21, 22 and 23 by deleting same;

and on page 60, lines 17 and 18 by deleting same and inserting language to read as follows:

"1980-81	$11,645,700
1981-82	$16,199,700";

and on page 60, after line 19 by inserting the following:

"Included in the above appropriation is $448,500 in fiscal year 1980-81 and $472,500 in fiscal year 1981-82 for a small coal operators technical assistance project."

On the roll call the vote was yeas 86-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Layman, LeMaster, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Wright, Yates. Nays 0.

The motion that the House refuse to concur in the Senate Committee Substitute and Senate Amendments to **HB 931** was adopted.

HB 532, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Clapp moved that the House concur in the following Senate Amendment No. 4 to **HB 532:**

Amend printed copy of **HB 532** on page 1, line 1 through page 27, line 18, delete sections 1 through 11 and insert the following:

Section 1. KRS 342.038 is amended to read as follows:

(1) Every employer subject to this chapter shall keep a record of all injuries fatal or otherwise, received by his employes in the course of their employment. Within one (1) week after the occurrence and knowledge, as provided in KRS 342.185 to 342.200, of an injury to an employe causing his absence from work for more than one (1) day, a report thereof shall be made in writing and mailed to the board on blanks procured from the board for the purpose.

(2) The report shall contain the name, nature, and location of the business of the employer and name, age, sex, wages, and occupation of the injured employe, and shall state the date and hour of the accident causing the injury, the nature and cause of the injury, and any other information required by the board.

(3) Every employer or insurer subject to this chapter shall file additional reports *covering specifically voluntary payments and settlements, and such other reports* as are required by the workmen's compensation board *by regulation* for the determination of the promptness of voluntary payment and validity and fairness of agreements. In addition, the board may require additional information as may be necessary to comply with a federal statute or regulation or any state statute.

(4) Upon the termination of the disability of the injured employe, or if the disability extends beyond a period of sixty (60) days, then also at the expiration of such period the employer shall make a supplementary report to the board on blanks procured from the board for the purpose.

Section 2. KRS 342.075 is amended to read as follows:

(1) The following persons shall be presumed to be wholly dependent upon a deceased employe:

(a) A surviving spouse upon a decedent whom the surviving spouse had not voluntarily abandoned at the time of the accident, or who having been abandoned by the decedent has not engaged in such conduct since his abandonment as would at common law constitute grounds justifying the abandonment of such wife by her husband or such husband by his wife;

(b) A child or children under the age of sixteen (16) years, or over sixteen (16) years if incapacitated from wage earning, upon the parent with whom such child or children are living, or by whom actually supported, or from whom support is legally required by judgment of a court, at the time of the accident.

(2) In all other cases the relation of dependency in whole or in part shall be determined in accordance with the facts of each case existing at the time of the accident.

(3) No person shall be considered a dependent in any degree unless he is living in the household of the employe at the time of the accident, or unless such person bears to the employe the relation of father, mother, husband, or wife, father-in-law or mother-in-law, grandfather or grandmother, child or grandchild, or brother or sister of the whole or half blood *and is actually dependent*.

Section 3. KRS 342.120 is amended to read as follows:

(1) A claimant may in the original application for benefits, or either party may by motion while the case is pending, accompanied by proper allegations, and the board shall upon its own motion at any time before the rendition of the final award, cause the special fund to be made a party to the proceedings if either or both of the following appears:

(a) The employe is disabled, whether from a compensable injury, occupational disease, pre-existing disease, or otherwise, and has received a subsequent compensable injury by accident, or has developed an occupational disease;

(b) The employe is found to have a dormant non-disabling disease or condition which was aroused or brought into disabling reality by reason of a subsequent compensable injury by accident or an occupational disease.

(2) When the special fund has been made a party the board shall direct the procedures provided in KRS 342.121.

(3) If it is found that the employe is a person mentioned in paragraphs (a) or (b) of subsection (1) of this section and a subsequent compensable injury or occupational disease has resulted in additional permanent disability so that the degree of disability caused by the combined disabilities is greater than that which would have resulted from the subsequent injury or occupational disease alone, and the employe is entitled to receive compensation on the basis of the combined disabilities, the employer shall be liable only for the degree of disability which would have resulted from the latter injury or occupational disease had there been no pre-existing disability or dormant, but aroused disease or condition.

(4) The remaining compensation for which such resulting condition would entitle the employe, including any compensation for disability resulting from a dormant disease or condition aroused into disabling reality by the injury or occupational disease, but excluding all compensation which the provisions of this chapter would have afforded on account of prior disabling disease or injury had it been compensated thereunder, shall be paid out of the special fund provided for in KRS 342.122. Such remaining compensation shall be paid directly to the employe by the carrier or self-insured employer who is liable for compensation under subsection (3) of this section, and the carrier or self-insured employer shall be reimbursed for such payments from the special fund on a quarterly basis and under such regulations as the board may provide for such purpose.

(5) *In making the computation for the apportionment of benefits under subsections (3) and (4) of this section, the board shall first determine the amount of the employe's weekly income benefits; exclude from the award the percentage thereof attributable to the pre-existing active disability or the prior disabling injury, disease or condition; and apportion the balance between the employer and special fund as provided in subsections (3) and (4) of this section.* [If it is found that the employe is a person mentioned in paragraphs (a) or (b) of subsection (1) of this section, and a subsequent compensable injury or occupational disease has resulted in additional permanent disability, so that the degree of disability caused by the combined disabilities is greater than that which would have resulted from the subsequent injury or occupational disease alone, and the employe is entitled to receive compensation on the basis of the combined disabilities, and when applying the formula for income benefits to the employer's and special fund's percentage of disability, and the income benefits exceed the limitation contained in KRS 342.740, then in that event the special fund's and employer's liability shall be reduced proportionately to the point where the shares of each, when combined, do not exceed the limitation established by KRS 342.740.]

Section 4. KRS 342.125 is amended to read as follows:

(1) Upon its own motion or upon the application of any party interested and a showing of change of conditions, mistake or fraud or newly discovered evidence, the board may at any time review any award or order, ending, diminishing or increasing the compensation previously awarded, within the maximum and minimum provided in this chapter, or change or revoke its previous order, sending immediately to the parties a copy of its subsequent order or award. Review under this section shall be had upon notice to the parties interested and *in the same manner as provided for an initial proceeding hereunder but* shall not affect the previous order or award as to any sums already paid thereunder. However, the employer shall not suspend the payment of benefits during the pendency of any reopening procedures.

(2) Where an agreement has become an award by approval of the board, and a review of such an award is initiated, no statement contained in the agreement, whether as to jurisdiction, liability of the employer, nature and extent of disability, or as to any other matter, shall be considered by the board as an admission against the interests of any party. The parties may raise any issue upon review of this type of award which could have been considered upon an original application for benefits.

Section 5. KRS 342.140 is amended to read as follows:

[Except as otherwise provided in this chapter,] The average weekly wage of the injured employe at the time of the injury or last injurious exposure shall be [taken as the basis upon which to compute compensation and shall be] determined *as follows:* [according to this section and KRS 342.143.]

(1) If at the time of the injury which resulted in death or disability or the last date of injurious exposure preceding death or disability from an occupational disease:

(a) The wages were fixed by the week, the amount so fixed shall be the average weekly wage;

(b) The wages were fixed by the month, the average weekly wage shall be the monthly wage so fixed multiplied by twelve (12) and divided by fifty-two (52);

(c) The wages were fixed by the year, the average weekly wage shall be the yearly wage so fixed divided by fifty-two (52);

(d) The wages were fixed by the day, hour, or by the output of the employe, the average weekly wage shall be the wage most favorable to the employe computed by dividing by thirteen (13) the wages (not including overtime or premium pay) of said employe earned in the employ of the employer in the first, second, third, or fourth period of thirteen (13) consecutive calendar weeks in the fifty-two (52) weeks immediately preceding the injury.

(e) The employe had been in the employ of the employer less than thirteen (13) calendar weeks immediately preceding the injury, his average weekly wage shall be computed under paragraph (d), taking the wages (not including overtime or premium pay) for such purpose to be the amount he would have earned had he been so employed by the employer the full thirteen (13) calendar weeks immediately preceding the injury and had worked, when work was available to other employes in a similar occupation.

(f) The hourly wage has not been fixed or cannot be ascertained, the wage for the purpose of calculating compensation shall be taken to be the usual wage for similar services where such services are rendered by paid employes.

(2) In occupations which are exclusively seasonal and therefore cannot be carried on throughout the year, the average weekly wage shall be taken to be one-fiftieth (1/50) of the total wages which the employe has earned from all occupations during the twelve (12) calendar months immediately preceding the injury.

(3) In the case of volunteer firemen, police, and civil defense members or trainees, the income benefits shall be based on the average weekly wage in their regular employment.

(4) If the employe was a minor, apprentice or trainee when injured, and it is established that under normal conditions his wages should be expected to increase during the period of disability, that fact may be considered in computing his average weekly wage.

(5) When the employe is working under concurrent contracts with two (2) or more employers and the defendant employer has knowledge of such employment prior to the injury, his wages from all such employers shall be considered as if earned from the employer liable for compensation.

(6) The term "wages" as used in this section and KRS 342.143 means, in addition to money payments for services rendered, the reasonable value of board, rent, housing, lodging, and fuel or similar advantage received from the employer, and gratuities received in the course of employment from others than the employer to the extent such gratuities are reported for income tax purposes.

(7) The board shall, from time to time, based upon the best available information, determine by regulation industries which ordinarily do not have a full working day for five (5) days in every week. In such industries compensation shall be computed at the average weekly wage earned by the employe at the time of injury reckoning wages as earned while working full time. "At full time" as used herein means a full working day for five (5) working days in every week regardless of whether the injured employe actually worked all or part of the time.

Section 6. KRS 342.150 is amended to read as follows:

Whenever compensation has been paid for not less than six months, thereafter, on the application of *all parties* [either party and upon notice to the other party,] in any case where the board determines that it will be for the best interests of *all parties* [either party] and will not subject the employer or his insurer to an undue risk of overpayment, future payments of compensation or any part thereof may be commuted to a lump sum of an amount which will equal the total sum of the probable future payments so commuted, discounted at four percent true discount compounded annually on each payment. Upon payment of such lump sum all liability for the payments therein commuted shall cease.

Section 7. KRS 342.155 is amended to read as follows:

Whenever the board considers it expedient, any lump sum which is paid as provided in KRS 342.150 hereof shall be paid to any suitable person appointed by the *district court* [county judge/executive] of the county of the residence of the injured employe or of his dependents as trustee to administer or apply the same for the benefit of the person or persons entitled thereto. The receipt of such trustee for the amount so paid to him shall discharge the employer and his insurer. Except as otherwise herein specifically provided, the manner of qualification and the rights, duties and liabilities of such trustee shall be determined by the general laws of this state.

Section 8. KRS 342.185 is amended to read as follows:

No proceeding under this chapter for compensation for an injury or death shall be maintained unless a notice of the accident shall have been given to the employer as soon as practicable after the happening thereof and unless *an application for adjustment of claim* [a claim] for compensation with respect to such injury shall have been made *with the board* within two (2) years after the date of the accident, or in case of death, within two (2) years after such death, whether or not a claim has been made by the employe himself for compensation. Such notice and such claim may be given or made by any person claiming to be entitled to compensation or by someone in his behalf. If payments of compensation as such have been made voluntarily the *filing of an application for adjustment of claim with the board* [making of a claim] within such period shall not be required, but shall become requisite within one (1) year following the suspension of such voluntary payments or within two (2) years of the date of the accident, whichever is later.

Section 9. KRS 342.205 is amended to read as follows:

(1) After an injury and so long as compensation is claimed, the workman, if requested by *a party* [his employer] or by the board, shall submit himself to examination, at *a* reasonable time and *place* [places], to a duly qualified physician or surgeon designated and paid by the *requesting party* [employer]. The employe shall have the right to have a duly qualified physician or surgeon designated and paid by himself present at such examination, but this right shall not deny the *requesting party's* [employer's] physician or surgeon the right to *examine* [visit] the injured employe at all reasonable times and under all reasonable conditions.

(2) Any employe receiving benefits under this Act may be required, upon request of any party, to furnish a sworn affirmed statement of earnings and such other supporting information as the board may require.

(3) The board shall supply forms for such report.

(4) If an employe refuses to submit himself to or in any way obstructs such examination his right to take or prosecute any proceedings under this chapter shall be suspended until such refusal or obstruction ceases. No compensation shall be payable for the period during which the refusal or obstruction continues.

Section 10. KRS 342.285 is amended to read as follows:

(1) An award or order of the board as provided in KRS 342.275, if petition for reconsideration is not filed as provided for in KRS 342.281, shall be conclusive and binding as to all questions of fact, but either party may within twenty days after the rendition of such final award or order of the board, by petition appeal to the circuit court that would have jurisdiction to try an action for damages for the injuries if this chapter did not exist, for the review of such order or award, the board and the adverse party being made respondents. The board shall be named respondent as the workmen's compensation board, and service shall be had on the director.

(2) The petition shall state fully the grounds upon which a review is sought, and assign all errors relied on. Summons shall issue upon the petition directing the adverse party to file answer and cross-appeal, if appropriate, within twenty days after service thereof and directing the board to send its entire original record, properly bound, to the clerk of the circuit court, after certifying that such record is its entire original record, which shall be filed by the clerk of the circuit court and such record shall then become and be considered by the circuit court on the review.

(3) No new or additional evidence may be introduced in the circuit court except as to the fraud or misconduct of some person engaged in the administration of this chapter and affecting the order, ruling or award, but the court shall otherwise hear the cause upon the record as certified by the board and shall dispose of the cause in summary manner *as in the case of all other appeals to the circuit court.* [The court shall not substitute its judgment for that of the board as to the weight of evidence on questions of fact, its review being limited to determining whether or not:

(a) The board acted without or in excess of its powers;

(b) The order, decision, or award was procured by fraud;

(c) The order, decision, or award is not in conformity to the provisions of this chapter;

(d) The order, decision, or award is clearly erroneous on the basis of the reliable, probative, and material evidence contained in the whole record; or

(e) The order, decision, or award is arbitrary or capricious or characterized by abuse of discretion or clearly unwarranted exercise of discretion.]

(4) The board and each party may appear in such review proceedings; the court shall enter judgment affirming, modifying or setting aside the order, decision or award, or in its discretion remanding the cause to the board for further proceedings in conformity with the direction of the court. The court may, before judgment and upon a sufficient showing of fact, remand the cause to the board.

(5) The appeal shall be advanced on the circuit court docket without motion or notice.

Section 11. KRS 342.316 is amended to read as follows:

(1) (a) The employer liable for compensation for occupational disease shall be the employer in whose employment the employe was last exposed to the hazard of the occupational disease during any period in which this section is applicable to a coal mine, an operator who acquired it or substantially all of its assets from a person who was its operator on and after January 1, 1973 shall be liable for, and secure the payment of, the benefits which would have been payable by the prior operator under this section with respect to miners previously employed in the mine if it had not been acquired by such later operator. At the same time, however, this subsection does not relieve the prior operator of any liability under this section. Also, it does not affect whatever rights the later operator might have against the prior operator. Said employer shall have the right to contribution from each previous employer, as determined in an independent civil action, wherein the employe was similarly exposed to the hazard of said occupational disease, in a sum equal to the ratio that each exposure employment time bears to the total exposure employment time except as otherwise provided in paragraph (a) of subsection (13) of this section.

(b) The time of the beginning of compensation payments shall be the date of the employe's last injurious exposure to the cause of the disease, or the date of actual disability, whichever is later.

(2) (a) The procedure with respect to the giving of notice and determination of claims in occupational disease cases and the compensation and medical benefits payable for disability or death due to such disease shall be the same as in cases of accidental injury or death under the general provisions of this chapter except that notice of claim shall be given to the employer as soon as practicable after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted such disease, or a diagnosis of such disease is first communicated to him, whichever shall first occur.

(b) The procedure with respect to filing of claims shall be as follows:

1. The application shall set forth the work history of the applicant with a concise description of injurious exposure to a specific occupational disease together with the names and addresses of employer or employers with the approximate date of employment and shall also include with the application two written medical reports supporting his claim. These medical reports shall be made on the basis of comprehensive clinical examinations and shall contain full and complete statements of the results thereof. The reports shall be made by duly licensed physicians. The clinical examinations shall include x-ray examinations. However, the failure of an x-ray examination to disclose the presence of an occupational disease shall not affect the legal presumption referred to in subsection (5) of this section.

2. The filing of a properly executed application for adjustment of claim, accompanied by the two medical reports described in subparagraph 1. of this paragraph, shall satisfy the requirements of the presumptive clause set out in subsection (5) of this section and the burden of proof shall immediately thereafter shift to the employer and the special fund.

3. Immediately upon receipt of said application for adjustment of claim, the board shall notify the affected employer, the special fund and any other interested party of such claim and shall furnish them with a full and complete copy of the claim.

4. Upon receipt of notice of claim the employer, the special fund, and any other interested party shall have the right to have the claimant examined by competent medical experts, at their expense, including a reasonable sum for travel. After said examination, the claimant or his representative, shall be furnished a copy of said medical report within a reasonable time.

5. Within *ninety (90)* [sixty (60)] days of the *receipt of notice by the employer of the* filing of the claim, the employer, the special fund, and any other interested party shall notify the board and the claimant whether or not the claim will be resisted. If the claim is not resisted, then the board shall within ten (10) days enter an order and award for the claimant. If the claim is resisted, the board shall set a date for a hearing and shall notify all parties thereof. In litigated claims the regular procedures prescribed by the workmen's compensation board shall be followed.

(3) The right to compensation under this chapter for disability resulting from an occupational disease shall be forever barred unless a claim is filed with the workmen's compensation board within three (3) years after the last injurious exposure to the occupational hazard or after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted the disease, whichever shall last occur; and if death results from the occupational disease within said period, unless a claim therefor be filed with the workmen's compensation board within three (3) years after such death; provided, however, that notice of such claim shall be deemed waived in case of disability or death where the employer, or his insurance carrier, voluntarily makes payment therefor, or, if the incurrence of the disease or the death of the employe, and its cause was known to the employer. Provided, however, that the right to compensation for any occupational disease shall be forever barred unless a claim is filed with the workmen's compensation board within five (5) years from the last injurious exposure to the occupational hazard, except that, in cases of radiation disease, a claim must be filed within 20 years from the last injurious exposure to the occupational hazard.

(4) The amount of compensation payable for disability due to occupational disease or for death from such disease, and the time and manner of its payment, shall be the same as provided for accidental injury or death under the general provisions of the workmen's compensation act, but in no event to exceed such amounts as were in effect at the time of the last injurious exposure, and provided further, that the time of the beginning of compensation payments shall be the date of the employe's last injurious exposure to the cause of the disease, or the date of actual disability, whichever is later, and provided further, that in case of death where the employe has been awarded compensation or made timely claim within the period provided for in this section, an employe has suffered continuous disability to the date of his death occurring at any time within 20 years from the date of disability, his dependents, if any, shall be awarded compensation for his death as provided for under the general provisions of the workmen's compensation act and in this section.

(5) Where the occupational disease is a compensable pneumoconiosis and there has been employment exposure for 10 years or more to an industrial hazard sufficient to cause the disability of pneumoconiosis there shall be a rebuttable presumption that the disability or death was due to the compensable pneumoconiosis.

(6) Where the employe is suffering or suffered from a chronic dust disease of the lung which (a) when diagnosed by chest roentgenogram, yields one or more large opacities (greater than one (1) centimeter in diameter) and would be classified in category A, B, or C in the international classification of radiographs of the pneumoconioses by the international labor organization, (b) when diagnosed by biopsy or autopsy, yields massive lesions in the lung, or (c) when diagnosis is made by other means, would be a condition which could reasonably be expected to yield results described in paragraph (a) or (b) if diagnosis had been made in the manner prescribed in paragraph (a) or (b), then there shall be an irrebuttable presumption that he is totally disabled due to pneumoconiosis or that his death was due to pneumoconiosis, as the case may be.

(7) In case of disability or death from silicosis, coal workers' pneumoconiosis, or any other compensable pneumoconiosis, complicated with tuberculosis of the lungs, pulmonary emphysema or other pulmonary dysfunction and there has been employment exposures to harmful dust or industrial hazards reasonably competent to produce such accompanying disease or dysfunction, there is a rebuttable legal presumption that all resultant disability therefrom is work related and compensable, and compensation shall be payable as for the uncomplicated disease, provided, however, that the disease or dysfunction was an essential factor in causing such disability or death.

(8) If an autopsy has been performed, no testimony relative thereto shall be competent unless the employer or his representative has available findings and reports of the pathologist or doctor who performed the autopsy examination.

(9) No compensation shall be payable for occupational disease if the employe at the time of entering the employment of the employer by whom compensation would otherwise be payable, falsely represented himself, in writing, as not having been previously disabled, laid off, or compensated in damages or otherwise, because of such disease, or failed or omitted truthfully to state to the best of his knowledge, in answer to written inquiry made by the employer, the place, duration and nature of previous employment, or, to the best of his knowledge, the previous state of his health.

(10) No compensation for death from occupational disease shall be payable to any person whose relationship to the deceased, which, under the provisions of this chapter would give right to compensation, arose, subsequent to the beginning of the first compensable disability, save only to after-born children of a marriage existing at the beginning of such disability.

(11) Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the general provisions of this chapter and it is subsequently discovered, at any time before the final disposition of such cause, that the claim for injury, disability or death which was the basis for such application should properly have been made under the provisions of this section, then the application so filed may be amended in form or substance, or both, to assert a claim for such injury, disability or death under the provisions of this section, and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to the provisions of this chapter. When such amendment is submitted, further or additional evidence may be heard by the board when deemed necessary. Nothing this section contains shall be construed to be or permit a waiver of any of the provisions of this chapter with reference to notice of time for filing of a claim, but notice of filing a claim, if given or done, shall be deemed to be a notice of filing of a claim under provisions of this chapter, if given or done within the time required herein.

(12) When an employe has an occupational disease that is covered by this chapter, the employer in whose employment he was last injuriously exposed to the hazard of the disease, and the employer's insurance carrier, if any, at the time of the exposure, shall alone be liable therefor, without right to contribution from any prior employer or insurance carrier; except as otherwise provided herein.

(13) (a) The employer liable for compensation for occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five (5) or more years, or for [non-coal worker's] silicosis and any other compensable pneumoconiosis, shall

be the employer in whose employment the employe was last exposed to the hazard of such occupational disease. In those cases where disability or death are not conclusively proven to be the result of such last exposure all compensation shall be paid out of the special fund for all claims filed prior to January 1, 1973; and 75 percent shall be paid by the special fund and 25 percent by the employer for all claims filed thereafter. In all other cases of occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five (5) or more years, or for [non-worker's] silicosis and any other compensable pneumoconiosis, the compensation for disability or death due to such diseases shall be paid jointly by the employer and the special fund, and the employer shall be liable for sixty percent (60%) of the compensation due and the special fund shall be liable for forty percent (40%) of the compensation due. Provided, however, that when there is a joint award against the carrier or self-insured employer and the special fund under this section, all of the compensation awarded shall be paid from the special fund and the special fund shall be reimbursed by the carrier or self-insured employer on a quarterly basis and under such regulations as the board may provide for such purpose.

(b) In all claims for compensation partially payable by the special fund the commissioner of labor, as custodian of said fund, shall be designated as codefendant.

(c) In all agreements for the payment of compensation and awards the amount payable by the employer and the amount payable out of the special fund shall be separately stated. An award against the employer shall be for only the percentage of the total compensation which the employer is obligated to pay. A separate award shall be made against the special fund for the balance of the compensation payable. Nothing in this section shall prohibit the commissioner of labor, as custodian of the special fund, from entering into agreements to pay the compensation for which it is liable; provided, however, that where compensation is payable by both the employer and the special fund, the commissioner shall not enter into an agreement unless the employer is a party to the agreement.

Section 12. KRS 342.350 is amended to read as follows:

(1) In order to comply with KRS 342.340 groups of employers may form, either among themselves or with employers in other states, mutual insurance associations or reciprocal or interinsurance exchanges subject to the insurance laws of this state and such reasonable conditions and restrictions not inconsistent therewith as may be fixed by the board. Membership in such mutual insurance associations or reciprocal or interinsurance exchanges so approved, together with evidence of the payment of premiums due, shall be evidence of compliance with KRS 342.340.

(2) The board may, except as provided in subsection (3), require any mutual insurance association or reciprocal or interinsurance exchange to purchase an annuity or to effect reinsurance with a company authorized to transact insurance in this state or to make such deposit with a bank or trust company of this state as shall in either case be approved by the board for the purpose of fully securing the payment of all deferred instalments upon any claim for compensation.

(3) Any mutual insurance association or reciprocal or interinsurance exchange possessing a surplus of at least one hundred thousand dollars ($100,000) and not less in amount than the capital required of a domestic stock insurance company transacting the same kind of insurance, shall not be required to purchase an annuity or effect reinsurance with a company authorized to transact insurance in this state or to make such a deposit with a bank or trust company of this state for the purpose of fully securing the payment of all deferred instalments upon any claim for compensation.

(4) In addition, the board, under rules and regulations as it *shall* [may] prescribe, may permit two (2) or more employers to enter into agreements to pool their liabilities under this chapter for the purpose of qualifying as self-insurers [and each employer member of such approved group shall be classified as a self-insurer as defined under this chapter]. Employers securing certification as group self-insurers are regulated by the rules and regulations drawn by the workmen's compensation board and are not to be in any way subject to the provisions of subsections (1), (2), and (3) of this section; provided, however, that the Governor may assign the regulatory authority under this subsection to another board or agency pursuant to KRS 12.025.

Section 13. KRS 342.445 is amended to read as follows:

(1) For the purposes of this section and for those of KRS 342.122, KRS 342.450, KRS 342.455, KRS 342.460, KRS 342.465, and KRS 342.470, the term "insurance carrier" shall include every group of self-insurers operating under the provisions of KRS 342.350(4) and the term "premium" shall include any and all assessments levied on its members by such a group or contributed to it by the members thereof.

(2) Every insurance carrier including the parties to any interindemnity contract or reciprocal plan or scheme, insuring employers in this state against liability for personal injuries to their employes, or death caused thereby under this chapter, shall pay a tax upon the premium received, whether in cash or notes, in this state or on account of business done in this state, for such insurance in this state, at the rate of two per cent (2%) of the amount of the premium. This tax shall be in lieu of all other taxes on such premiums. It shall be assessed and collected as provided in KRS 342.450. Such insurance carriers shall be credited with all canceled or returned premiums, including dividends paid or credited to policyholders, and with premiums received for reinsurance assumed from companies authorized and licensed to transact business in this state.

Section 14. KRS 342.620 is amended to read as follows:

As used in this chapter unless the context otherwise requires:

(1) "Injury" means any work related harmful *physical* change in the human organism, *arising out of and in the course of employment* including damage to or loss of a prosthetic appliance, but does not include any communicable disease unless the risk of contracting such disease is increased by the nature of the employment. "Injury" when used generally, unless the context indicates otherwise, shall include an occupational disease.

(2) "Occupational disease" means a disease arising out of and in the course of the employment.

(3)[(a)] *An occupational* [A] disease *as defined in this section* shall be deemed to arise out of the employment if there is apparent to the rational mind, upon consideration of all the circumstances, a causal connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause. The *occupational* disease shall be incidental to the character of the business and not independent of the relationship of employer and employe. *An occupational* [The] disease need not have been foreseen or expected but, after its contraction, it must appear to be related to a risk connected with the employment and to have flowed from that source as a rational consequence.

(4)[(b)] "Injurious exposure" as used in KRS 342.316 shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(5)[(3)] "Death" means death resulting from an injury or occupational disease.

(6)[(4)] "Carrier" means any insurer, or legal representative thereof, authorized to insure the liability of employers under this chapter and includes a self-insurer.

(7)[(5)] "Self-insurer" is an employer who has been authorized under the provisions of this chapter to carry his own liability on his employes covered by this chapter.

(8)[(6)] "Department" means the department of labor.

(9)[(7)] "Director" means the director of the workmen's compensation board.

(10)[(8)] "Board" means the workmen's compensation board.

(11)[(9)] "Disability" means [, except for purposes of KRS 342.730(1)(c) relating to scheduled losses,] a decrease of wage earning capacity due to injury or loss of ability to compete to obtain the kind of work the employe is customarily able to do, in the area where he lives, taking into consideration his age, occupation, education, effect upon employe's general health of continuing in the kind of work he is customarily able to do, and impairment or disfigurement.

(12)[(10)] "Income benefits" means payments made under the provisions of this chapter to the disabled worker or his dependents in case of death, excluding medical and related benefits.

(13)[(11)] "Medical and related benefits" means payments made for medical, hospital, burial and other services as provided in this chapter other than income benefits.

(14)[(12)] "Compensation" means all payments made under the provisions of this chapter representing the sum of income benefits and medical and related benefits.

(15)[(13)] "Medical services" means medical, surgical, dental, hospital, nursing and medical rehabilitation services, medicines, and fittings for artificial or prosthetic devices.

(16)[(14)] "Person" means any individual, partnership, firm, association, trust, joint venture, corporation, or legal representative thereof.

(17)[(15)] "Wages" means, in addition to money payments for services rendered, the reasonable value of board, rent, housing, lodging, fuel or similar advantages received from the employer, and gratuities received in the course of employment from others than the employer as evidenced by the employe's federal and state tax returns.

(18)[(16)] "Agriculture" means the operation of farm premises, including the planting, cultivation, producing, growing, harvesting and preparation for market of agricultural or horticultural commodities thereon, the raising of livestock for food products and for racing purposes, and poultry thereon, and any work performed as an incident to or in conjunction with such farm operations. It shall not include the commercial processing, packing, drying, storing, or canning of such commodities for market, or making cheese or butter or other dairy products for market.

(19)[(17)] "Beneficiary" means any person who is entitled to income benefits or medical and related benefits under this chapter.

(20)[(18)] "United States" when used in a geographic sense, means the several states, the District of Columbia, the commonwealth of Puerto Rico, the Canal Zone, and the territories of the United States.

(21)[(19)] "Alien" means a person who is not a citizen, a national or a resident of the United States or Canada. Any person not a citizen or national of the United States who relinquishes or is about to relinquish his residence in the United States shall be regarded as an alien.

[(20) Except as otherwise provided in KRS 342.750, the formula for income benefits shall be 66-⅔ percent of the average weekly wages of the employe at the time of his injury, multiplied by the percentage of disability caused by the injury or occupational disease, subject to the limitation contained in KRS 342.740. Income benefits shall be payable during the applicable compensable period which is either (a) the specified number of weeks, or (b) the period of occupational disability during which the employe is disabled, or (c) where death results from the injury, the period during which the deceased's dependents qualify as such, or (d) where death is unrelated to the injury, the period during which the deceased's dependents qualify as such or during the period of the deceased's normal life expectancy, whichever is less.]

Section 15. KRS 342.710 is amended to read as follows:

(1) One of the primary purposes of this chapter shall be restoration of the injured employe to gainful employment. To this end there is hereby created a rehabilitation panel which shall be composed of the director and specialists in medical and vocational rehabilitation to be appointed by the board.

(2) The panel shall continuously study the problems of rehabilitation, both physical and vocational, and shall investigate and maintain a directory of all rehabilitation facilities, both private and public. The board in consultation with the panel, shall approve as qualified such facilities, institutions and physicians as are capable of rendering competent rehabilitation service to seriously injured employes. No facility or institution shall be considered as qualified unless it is specifically equipped to provide rehabilitation services for persons suffering either from some specialized type of disability or general type of disability within the field of occupational injury and is staffed with trained and qualified personnel, and with respect to physical rehabilitation, unless it is supervised by a physician qualified to render such service. No physician shall be considered qualified unless he has had the experience and training specified by the board.

(3) An employe who has suffered an injury covered by this chapter shall be entitled to prompt medical rehabilitation services *for whatever period of time necessary to accomplish physical rehabilitation goals which are feasible, practical, and justifiable.* When as a result of the injury he is unable to perform work for which he has previous training or experience, he shall be entitled to such vocational rehabilitation services, including retraining and job placement, as may be reasonably necessary to restore him to suitable employment. *In all such instances, the board shall inquire whether* [If] such services *have been* [are not] voluntarily offered and accepted.[,] The board on its own motion, or upon application of *any party* [the employe, employer] or carrier, after affording the parties an opportunity to be heard [by the panel], may refer the employe to a qualified physician or facility for evaluation of the practicability of, need for, and kind of service, treatment or training necessary and appropriate to render him fit for a remunerative occupation. Upon receipt of such report, and after affording the parties an opportunity to be heard by the panel, the board, in consultation with the panel, may order that the services and treatment recommended in the report, or such other rehabilitation treatment or service he may deem necessary, be provided at the expense of the *defendants as apportioned in the award* [employer]. Vocational rehabilitation training, treatment or service shall not extend for a period of more than *fifty-two (52)* [26] weeks except in unusual cases when by special order of the board, after hearing *and upon a finding, determined by sound medical evidence which indicates such further rehabilitation is feasible, practical and justifiable*, the period may be extended for additional periods.

(4) Where rehabilitation requires residence at or near the facility or institution, away from the employe's customary residence, reasonable cost of his board, lodging or travel shall be paid for by the *defendants* [employer].

(5) Refusal to accept rehabilitation pursuant to an order of the board shall result in a 50 percent loss of compensation for each week of the period of refusal.

(6) The board and the rehabilitation panel shall cooperate on a reciprocal basis with the Kentucky Bureau of Rehabilitation Services of the Department of Education and the Employment Services of the Kentucky Department of Economic Security.

Section 16. KRS 342.730 is amended to read as follows:

(1) Income benefits for disability shall be paid to the employe as follows[, subject to the maximum and minimum limits specified in KRS 342.740]:

(a) For total disability, sixty-six and two-thirds percent (66 ⅔%) of *the employe's* [his] average weekly wage *but not more than one hundred percent (100%) of the state average weekly wage and not less than twenty percent (20%) of the state average weekly wage as determined in KRS 342.740* during such disability.

(b) *For permanent, partial disability, sixty-six and two-thirds percent (66 ⅔%) of the employe's average weekly wage but not more than seventy-five percent (75%) of the state average weekly wage as determined by KRS 342.740, multiplied by his percentage of disability caused by the injury or occupational disease as determined by "Guides to the Evaluation of Permanent Impairment," American medical association, 1977 edition, or by his percentage of disability as determined under KRS 342.620 (11), whichever is greater, for a maximum period, from the date the disability arises, of four hundred and twenty-five (425) weeks, but such benefits shall not be paid after the employe becomes eligible for normal old age benefits under the federal old age, survivors and disability insurance act. Any temporary total disability period within the maximum period for permanent, partial disability benefits shall not extend the maximum period nor make payable a weekly benefit exceeding that determined in subsection (1)(a) of this section.* [In all other cases of permanent partial disability, including any disfigurement which will impair the future usefulness or occupational opportunities of the injured employe, or employe disabled by an occupational·disease, income benefits shall be determined according to the percentage of disability, taking into account, among other things, any previous disability, the nature of the physical injury or disfigurement, the occupation of the injured employe and age at the time of injury or at the time the disability from an occupational disease began. The income benefits paid therefor shall be 66 ⅔ per cent of the average weekly earnings of the employe at the time of his injury, subject to the limitations contained in KRS 342.740, multiplied by the percentage of disability caused by the injury or occupational disease.] Notwithstanding any section of KRS Chapter 342 to the contrary, there shall be no minimum weekly income benefit for permanent partial disability.

[(c) For total permanent bodily loss or losses herein scheduled, after and in addition to the income benefits payable during the period of recovery, scheduled income benefits in the amount of sixty-six and two-thirds percent (66 ⅔%) of the average weekly wage as follows:

	BODILY LOSS	WEEKS OF DISABILITY
1.	Arm	340
2.	Leg	340
3.	Hand	312
4.	Foot	216
5.	Thumb	86
6.	Index finger	54
7.	Middle finger	43
8.	Ring finger	22
9.	Little finger	16
10.	Great toe	30
11.	Second toe	20
12.	Third toe	15
13.	Fourth toe	8
14.	Fifth toe	5
15.	Total loss of binaural hearing	156
16.	Total loss of vision of one eye	150
17.	Total loss of bilateral vision	520
18.	Total loss, or total loss of use, of both hands, both arms, both feet or both legs	520

19. Phalanges: For loss of distal phalanx, one-half of the income benefits for loss of the entire digit. For loss of more than the distal phalanx of a digit, the same as loss of the entire digit.

20. Two or more digits: For loss of two or more digits, or one or more phalanges of two or more digits, of a hand or foot, scheduled income benefits may be proportioned to the loss of use of the hand or foot occasioned thereby, but shall not exceed the scheduled income benefits for loss of a hand or foot.

21. Total loss of use: Scheduled income benefits for permanent total loss of use of a member shall be the same as for loss of the member.

22. Partial loss or partial loss of use: Scheduled income benefits for permanent partial loss of use of a member shall be for a period proportionate to the period benefits are payable for total loss or total loss of use of the member as such partial loss bears to total loss.

23. Loss of hearing or partial loss of bilateral vision: Scheduled income benefits for partial loss of vision in one or both eyes, or total loss of hearing in one ear, or partial loss of hearing in one or both ears shall be for a period proportionate to the period benefits are payable for total bilateral loss of vision or total binaural loss of hearing as such partial loss bears to total loss. The provisions of paragraphs (d) to (h) of subsection (2) of this section shall apply to scheduled losses of hearing.

24. In any case in which there shall be a loss or loss of use of more than one member or parts of more than one member set forth in subparagraphs 1. to 23. of this subsection, scheduled income benefits shall be for the loss of use of each such member or part thereof, with the periods of benefits to run consecutively.

25. Other losses: Proper and equitable scheduled income benefits shall be paid for serious permanent disfigurement of face, head, neck or other area normally exposed and for loss or loss of function of a major member or organ when such disfigurement or loss is of a kind likely to handicap the employe in securing or holding employment.

26. In any case of total or partial loss of use of a member or organ, of hearing or vision, or in any case of disfigurement, determination of the period for which scheduled income benefits are payable shall not be made until the maximum of healing and of restoration function has been attained.

27. If the board finds as a fact that the effects of any of the injuries, or disabilities, from occupational diseases, or losses, mentioned in this section adversely affect a workman's ability to labor, or limit his occupational opportunities to obtain the kind of work he is customarily able to do; his compensation benefits shall not be limited to the amounts provided by this section, and he shall be awarded compensation benefits under some other applicable or appropriate section of this chapter which would provide more compensation benefits for his disability.

(2) Occupational deafness means permanent partial or permanent total loss of hearing of one or both ears caused by prolonged exposure to harmful noise in employment. The following provisions shall apply exclusively to loss of hearing compensable under this subsection:

(a) No claim for scheduled income benefits shall be heard until the lapse of six full consecutive calendar months after the termination of exposure to harmful noise in employment. The time limitation for the filing of claims for occupational deafness shall not begin to run earlier than the day following the termination date of such six months' period. The time for filing claim as provided under this paragraph shall be applicable not only in respect of the last employer, but also in respect of any prior employer who may have liability to pay compensation for the occupational deafness.

(b) No employer shall be liable for the payment of scheduled income benefits for occupational deafness unless the employe claiming benefits shall have worked for such employer in employment exposing the employe to harmful noise for a total period of at least 90 days.

(c) An employer, otherwise liable under this subsection, whose employment has contributed to any extent to an employe's occupational deafness shall be liable for the full extent of the deafness of the employe, unless such employer shall establish by competent evidence (including the results of a professionally controlled hearing test) the extent of the employe's deafness as it existed prior to exposure to harmful noise in the employer's employment. Upon such showing the employer shall be liable to the employe only for the proportion of the deafness attributable to employment by him. An employer liable to the employe for the full extent of the employe's occupational deafness may implead, in a compensation proceeding on the employe's claim, any prior employer or employers in whose employment the employe had been exposed to harmful noise, and if it should be found that the impleaded employer would have been liable to the employe under this subsection, had the employe proceeded against him, under the claim being adjudicated, the employer held liable shall be entitled to an award against the impleaded employer. The impleading of an employer shall be accomplished by notice on a form prescribed by the board. Such notice shall be sent to the impleaded employer and to the board. An award may be made in favor of the employer liable to the employe, and against the impleaded employer or employers, which award may be enforced in the same manner as awards to employes. The impleaded employer or employers shall bear equal shares with the employer of the employer's liability to the employe, unless the evidence warrants a different apportionment.

(d) Losses of hearing due to industrial noise for compensation purposes shall be confined to the frequencies of 500, 1,000, and 2,000 cycles per second. Loss of hearing ability for frequency tones above 2,000 cycles per second are not to be considered as constituting disability for hearing.

(e) The percent of hearing loss, for purposes of the determination of compensation claims for occupational deafness, shall be calculated as the average, in decibels, of the thresholds of hearing for the frequencies of 500, 1,000, and 2,000 cycles per second. Pure tone air conduction audiometric instruments, approved by nationally recognized authorities in this field, shall be used for measuring hearing loss. If the losses of hearing average 15 decibels or less in the three frequencies, such losses of hearing shall not then constitute any compensable hearing disability. If the losses of hearing average 82 decibels or more in the three frequencies, then the same shall constitute and be a total or 100 percent compensable hearing loss.

(f) In measuring hearing impairment, the lowest measured losses in each of the three frequencies shall be added together and divided by three to determine the average decibel loss. For every decibel of loss exceeding 15 decibels an allowance of one and one-half percent shall be made up to the maximum of 100 percent which is reached at 82 decibels.

(g) In determining the binaural percentage of loss, the percentage of impairment in the better ear shall be multiplied by five. The resulting figure shall be added to the percentage of impairment in the poorer ear and the sum of the two divided by six. The final percentage shall represent the binaural hearing impairment.

(h) Before determining the percentage of hearing impairment, in order to allow for the average amount of hearing loss from non-occupational causes found in the population at any given age, there shall be deducted from the total average decibel loss, one-half decibel for each year of the employe's age over 40 at the time of last exposure to industrial noise.

(i) No consideration shall be given to the question of whether or not the ability of an employe to understand speech is improved by the use of a hearing aid.]

(2)[(3)] The period of any [scheduled] income benefits payable under this section on account of any injury shall be reduced by the period of income benefits paid or payable under this chapter on account of a prior injury if [scheduled] income benefits in both cases are for disability of the same member or function,

or different parts of the same member or function, and the [scheduled] income benefits payable on account of the subsequent disability in whole or in part would duplicate the [scheduled] income benefits payable on account of the pre-existing disability.

(3)[(4)] When an employe, who has sustained disability compensable under this section, and who has filed, or could have timely filed, a valid claim in his lifetime, dies from causes other than the injury before the expiration of the compensable period specified, the income benefits specified and unpaid at the individual's death, whether or not accrued or due at his death, shall be paid, under an award made before or after such death, for the period specified in this section, to and for the benefit of the persons within the classes at the time of death and in the proportions and upon the conditions specified in this section and in the order named:

(a) To the widow or widower, if there is no child under the age of 18 or incapable of self-support; or

(b) If there are both such a widow or widower and such a child or children, one-half to such widow or widower and the other half to such child or children; or

(c) If there is no such widow or widower but such a child or children, then to such child or children; or

(d) If there is no survivor in the above classes, then the parent or parents wholly or partly actually dependent for support upon the decedent, or to other wholly or partly actually dependent relatives listed in paragraph (g) of subsection (1) of KRS 342.750 or to both, in such proportions as the board may provide by regulation.

Section 17. KRS 342.740 is amended to read as follows:

(1) [The minimum weekly income benefits for disability shall not be less than 20 percent (computed to the next higher multiple of $1.00) and the maximum weekly income benefit shall not exceed 60 percent (computed to the next higher multiple of $1.00) of the average weekly wage of the state as defined herein. In any event, income benefits shall not exceed the average weekly wage of the injured employe.

(2)] For the purposes of this chapter the average weekly wage of the state shall be determined by the board as follows: On or before September 1 of each year, the total wages reported by subject employers under the Kentucky Unemployment Insurance law for the preceding calendar year shall be divided by the average monthly number of insured workers (determined by dividing the total number of insured workers reported for the preceding year by twelve). The average annual wage thus obtained shall be divided by 52 and the average weekly wage thus determined rounded to the nearest cent. Such average weekly wage shall be certified to the board by the department for human resources in a manner prescribed by the board by regulation. The average weekly wage as so determined shall be applicable for the full period during which income or death benefits are payable, when the date of occurrence of injury or of disablement in the case of disease, or of death, falls within the calendar year commencing January 1 following the September 1 determination.

(2)[(3)] Whenever a change in the average weekly wage of the state is of such amount that the minimum weekly income benefits for total disability or death are increased or decreased by $1.00 or more, or the maximum weekly income benefits for total disability or for death are increased or decreased by $2.00 or more computed in each case and rounded to the nearest dollar, an adjustment in those minimums or maximums which are affected in the requisite amount by the change in the average weekly wage of the state shall be made which will reflect the increase or decrease, but no change in such limitations shall otherwise be made.

SECTION 18. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The board shall establish rules and regulations to expedite the payment of temporary total disability and medical expense benefits.

SECTION 19. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

On the effective date of this Act, the average insurance rate level for workers' compensation benefits required by this chapter shall be reduced by not less than twenty-seven percent (27%) from the average rate level in effect immediately prior to such date. Such reduced rates shall remain in effect for at least one (1) year. There shall be no exception to the requirements of this section unless the commissioner of insurance shall find that an intervening statutory change has caused such rates to be inadequate as defined under Chapter 304 of the Kentucky Revised Statutes. In such event, the commissioner may call for a public hearing pursuant to KRS 304.13 to determine an appropriate rate level.

SECTION 20. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

Notwithstanding the provisions of KRS 342.730, during the period the employe is eligible for permanent total disability benefits and is actively participating in a vocational or physical rehabilitation program, pursuant to a board order, the employe's benefits shall be calculated by taking eighty percent (80%) of *his average weekly wage, but not more than one hundred percent (100%) of the state's average weekly wage, times the percentage of disability as determined in this chapter.*

SECTION 21. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

On the effective date of this Act, any unfunded liability in the coal workers' pneumoconiosis fund shall be assumed by the special fund.

SECTION 22. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

If any provision of this Act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 23. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The reviser of statutes is directed to change the words "workmen's compensation" to "workers' compensation" wherever they appear in the Kentucky Revised Statutes.

SECTION 24. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

This Act shall be effective July 15, 1980; provided, however, that in the event federal law specifies that claims covered by provisions of this Act may be filed with a federal agency such claims shall continue to be filed as provided by the federal law until repeal or expiration of the federal law providing same; then, in that event, the increase in benefits provided by KRS 342.730 shall not apply to those claims where benefits are payable under the federal law, but the benefits shall be sixty-six and two-thirds percent (66 3/3%) of the employe's average weekly wage but not more than seventy-five percent (75%) of the state average weekly wage as determined in KRS 342.740.

Section 25. The following sections of the Kentucky Revised Statutes are repealed:
342.004 Liberal construction of chapter — Presumption in case of pneumoconiosis or silicosis.
342.186 Notifying employe of statute of limitations.
342.317 Coal miners' pneumoconiosis fund.
342.800 Application to claims — Filing under federal coal mine health and safety act.

On the roll call the vote was yeas 57-Adams, Allen, Arnold, Bendl, Blair, Blythe, Bruce, Burnette, Caldwell, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Farrow, Foster, Freibert, Fryman, Guenthner, Haering Hancock, Head, Holbrook, Holloway, Jones, Layman, LeMaster, List, Lundergan, May, Maynard, McBee, McNutt, Morris, O'Brien, Overstreet, Patrick, Petty, Plumber, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Thomason, Tobin, Turner, Wilborn, Worthington, Wright. Nays 38-Barrows, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Cawood, Clark, Cryus, Dawahare, Deskins, Donnermeyer, Dunn, Gray, Heleringer, Hines, Isler, Johnson, Kenton, Lewis, Little, Mann, McKinney, Moberly, Nett, Noe, Priddy, Riner, Romines, Smith, Stone, Stumbo, Thomas, Van Horn, Weinberg, White, Williams.

The motion that the House concur in the Senate Amendment No. 4 to **HB 532** was adopted.

Representative B. Richardson moved that **HB 532,** as amended by the Senate, be passed.

On the roll call the vote was yeas 61-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blythe, Bruce, Burnette, Caldwell, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Jones, Layman, LeMaster, List, Lundergan, May, Maynard, McBee, McNutt, Morris, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, Wilborn, Worthington, Wright. Nays 37-Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Cawood, Clark, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Gray, Hines, Isler, Johnson, Kenton, Kidd, Lewis, Little, Mann, McKinney, Moberly, Nett, Noe, Priddy, Riner, Romines, Smith, Stumbo, Van Horn, Weinberg, White, Williams.

HB 532, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 532,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

The following letter was received in regard to **SB 251:** "The Senate has refused to concur in the House Committee Substitute and Floor Amendment No. 1 to **SB 251** and respectfully requests this Honorable Body to recede from its substitute and amendment."

The following letter was received in regard to **SB 366:** "The Senate has refused to concur in the House Floor Amendment No. 1 to **SB 366** and respectfully requests this Honorable Body to recede from its amendment."

The following letter was received in regard to **SB 268:** "The Senate has refused to concur in the House Floor Amendment No. 1 to **SB 268** and respectfully requests this Honorable Body to recede from its amendment."

The following letter was received in regard to **HB 150:** "We wish to notify this Honorable Body that the Senate has agreed to the Free Conference Committee Report on **HB 150** and has repassed the bill, as amended in Free Conference.

HB 20, with Senate Committee Substitute and Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Committee Substitute and Senate Amendments thereto. Agreed.

Representative DeFalaise moved that the House concur in the following Senate Amendment No. 5 to **HB 20.**

Amend printed copy of **HB 20,** by way of Senate Committee Substitute, on page 6, after "Section 10", delete the remainder of lines 25 and 26;

and on page 7, delete lines 1 and 2, and insert therein:

"The following Sections of the KRS are repealed:";

and on page 8, delete lines 18 through 20; and by renumbering subsequent sections accordingly.

On the roll call the vote was yeas 51-Adams, Bennett, Blair, Blythe, Boswell, Brinkley, Brown, Bruce, Burnette, Caldwell, Cawood, Crupper, Curd, DeFalaise, DeMarcus, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Holloway, Isler, Jones, Kenton, List, Lundergan, May, McBee, Morris, O'Brien, Patrick, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Tobin, Turner, Van Horn, White, Worthington, Wright. Nays 16-Allen, Clarke, Craddock, Davenport, Fryman, Hines, Holbrook, Johnson, Lewis, McKinney, McNutt, Noe, Overstreet, Plummer, Smith, Stumbo.

Senate Amendment No. 5 to **HB 20** was adopted.

Representative DeFalaise moved that the House concur in the following Senate Committee Substitute to **HB 20.**

HB 20, AN ACT relating to local government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The boundaries of any city other than a city of the first class shall remain as established by law until changed as provided in KRS chapter 81. The legislative body of any city other than a city of the first class may annex any city or portion of any city of the second through sixth class, or unincorporated territory or reduce the boundaries of the city under the provisions of this Act.

SECTION 2. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city legislative body may extend the city's boundaries to include any area:

(a) Which is adjacent or contiguous to the city's boundaries at the time the annexation proceeding is begun; and

(b) Which by reason of population density, commercial, industrial, institutional or governmental use of land, or subdivision of land, is urban in character or suitable for development for urban purposes without unreasonable delay.

(2) No part of the area to be annexed shall be included within the boundary of another incorporated city, except as provided in Section 4 of this Act.

(3) If a city is considering the annexation of two (2) or more areas which are all adjacent to the city boundary but are not adjacent to one another, it may undertake simultaneous proceedings under the authority of Section 3 or 4 of this Act for the annexation of such areas.

SECTION 3. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Whenever a city desires to annex unincorporated territory, the legislative body of the city proposing to annex shall enact an ordinance stating the intention of the city to annex. Such ordinance shall accurately define the boundary of the unincorporated territory proposed to be annexed, and declare it desirable to annex the unincorporated territory.

(2) If following the publication of the annexation ordinance pursuant to subsection (1) of this section and within sixty (60) days thereof, fifty percent (50%) of the resident voters or owners of real property within the limits of the territory proposed to be annexed petition the mayor in opposition to the proposal, an election shall be held at the next regular election occurring at least sixty (60) days after the petition is presented to the county clerk.

(a) The mayor of the city shall deliver a certified copy of the ordinance to the county clerk of the county in which the territory proposed to be annexed is located, who shall have printed on the ballot provided for use in each precinct embraced in whole or in part within the territory proposed to be annexed the question: "Are you in favor or being annexed to the City of ________?" If only a part of any precinct is embraced within the territory proposed to be annexed only persons who reside within the territory proposed to be annexed shall be permitted to vote. The clerk shall cause the sheriff or sheriffs to deliver to the election officers in each precinct in the appropriate counties copies of the ordinance proposing to annex.

(b) If less than seventy-five percent (75%) of the qualified voters in the area to be annexed oppose annexation, the unincorporated territory shall become a part of the city.

(c) If seventy-five percent (75%) or more of the qualified voters in the area to be annexed oppose annexation, the ordinance proposing annexation shall become ineffectual for any purpose.

(3) In not less than sixty (60) days after the enactment of the ordinance, if no petition has been received by the mayor as set out herein, the legislative body may enact an ordinance annexing to the city the territory described in the ordinance. Upon the enactment of this ordinance, the territory shall become part of the city for all purposes.

SECTION 4. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Whenever a city desires to annex all or part of a city of the second, third, fourth, fifth or sixth class, the legislative body of the city proposing to annex shall enact an ordinance stating the intention of the city to annex. Such ordinance shall accurately define the boundary of the city or portion thereof proposed to be annexed, declaring it desirable to annex the city or portion thereof and providing that the question of annexation shall be submitted to the qualified voters of the city or portion thereof to be annexed at the next regular election. The mayor of the city proposing to annex shall certify the action of the city to the county clerk, who shall have printed on the ballots provided for use in the city or portion thereof proposed to be annexed, the question: "Are you in favor of annexing to the City of ________?" If a majority of those voting on the proposition favor annexation, the city proposing to annex shall pass an ordinance declaring the other city or portion thereof annexed, and that city or portion thereof shall then be a part of the annexing city.

SECTION 5. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

A city may reduce its boundaries by following the procedure outlined in Section 4 for annexing territory.

SECTION 6. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Whenever a city annexes another city, the annexing city shall be bound for all the debts and liabilities, and shall be the owner of all corporate property, franchises and rights, of the annexed city. If only a part of another city is annexed, the annexing city shall be liable for that proportion of the debts of the other city which the value of the real estate in the part of the city annexed bears to the value of all the real estate in the city, according to the latest assessment by the property valuation administrator.

(2) Whenever any unincorporated territory or part of a city is annexed by a city, the annexing city shall be liable for any indebtedness that is attached to or exists against the territory or part of a city by

reason of the same being then or previously a part of any taxing district, and the annexing city shall assume the liability, so that after annexation the burden of taxation shall be uniform throughout the city.

SECTION 7. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

If a proposal by a city to annex all or part of another city or unincorporated territory, or to reduce its boundaries is rejected by the voters of the city or territory proposed to be annexed or stricken, no further steps to annex or strike the same city or territory shall be taken within five (5) years from the date of rejection, nor shall the question of annexation or striking off be again submitted within that period.

SECTION 8. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Whenever the limits of a city are enlarged or reduced, the city shall cause an accurate map of the annexed or severed area with a metes and bounds description, together with a copy of the ordinance duly certified, to be recorded in the office of the county clerk of the county or counties in which the city is located and in the office of the secretary of state.

SECTION 9. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

The provisions of this Act shall apply in any annexation proceeding in which the annexing city has not adopted a final annexation ordinance by the effective date of this Act.

Section 10. The following sections of the Kentucky Revised Statutes are suspended as of July 15, 1980 and shall continue in suspension until July 15, 1982, on which date they shall regain full force and effect:

81.140 Annexation of unincorporated territory.or reduction of territory by second-class city.

81.145 Election on annexation of unincorporated territory by a city of the second class in a county containing a city of the second and third class.

81.150 Annexation of fifth or sixth-class city by second-class city.

81.160 Annexation of second, third or fourth-class city by second-class city.

81.170 Second-class city takes over rights and liabilities of territory annexed.

81.180 Second-class city to divide annexed territory into wards — Right of electors in annexed territory.

81.190 Annexation or reduction of territory by third-class city.

81.200 Third-class city takes over rights and obligations of city annexed.

81.210 Annexation or reduction of territory by fourth-class city.

81.220 Protest against annexation by fourth-class city — Trial — Judgment.

81.230 Annexation or reduction of territory by fifth-class city.

81.235 Acquisition of lands by city of fifth class for relocation — When — Expenditures for such purpose.

81.240 Annexation or reduction of territory by sixth-class city.

81.250 Fifth or sixth-class city takes over rights and liabilities of city annexed.

81.260 Liability of property owners in territory annexed to sixth-class city for debts of city incurred before annexation.

81.270 Resubmission of proposal for annexation or reduction by city of any class when first proposal is denied by court or defeated by voters.

81.290 Copy of ordinance proposing annexation or reduction of territory by city in county containing a city of first class to be forwarded to fiscal court — Protest suit, fiscal court to be made a party.

81.296 Publication of ordinance.

Section 11. Sections 1 through 9 of this Act shall remain in effect until July 15, 1982, on which date they shall become null for any purpose.

Section 12. There shall be established a local government annexation statute revision commission to study and review the laws pertaining to annexation and reduction of territory by cities and counties. The commission shall work toward preparing a report and proposed legislation for the 1982 general assembly which will effect a comprehensive revision of annexation laws in Kentucky.

Section 13. (1) The commission shall be composed of nine (9) members appointed by the legislative research commission as follows:

(a) Three (3) members of the house of representatives of the Kentucky general assembly;

(b) Three (3) members of the senate of the Kentucky general assembly;

(c) One (1) representative of the Kentucky municipal league;

(d) One (1) mayor of a city; and

(e) One (1) county judge/executive of a county.

(2) The members shall serve for a period of two (2) years. Vacancies in the commission shall be filled by appointment in the same manner as the original appointment. The members shall elect a chairman from among themselves.

(3) The members shall serve without pay, but the non-legislative members shall receive their reasonable and necessary expenses in connection with the performance of their duties.

Section 14. The commission shall be attached to the legislative research commission for administrative purposes. The commission shall be provided what staff support is necessary for its purposes by the director of the Legislative Research Commission from the existing staff of the Legislative Research Commission.

Agreed.

Representative DeFalaise moved that without objection, the Senate Amendment No. 5 be applied to the Senate Committee Substitute to **HB 20.** Agreed.

Representative DeFalaise moved that the House concur in the following Senate Amendment No. 6 to the Senate Committee Substitute to **HB 20.**

Amend printed copy of Senate Committee Substitute for **HB 20** on page 2, line 22, after ". . . thereof," add ". . *of if in any annexation proceeding where the annexing city has not adopted a final annexation ordinance, within sixty (60) days following the effective date of this act, . . .*".

On the roll call the vote was yeas 48-Adams, Allen, Arnold, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Crupper, Curd, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Gray, Guenthner, Haering, Heleringer, Holloway, Isler, Jones, Layman, List, McBee, Morris, O'Brien, Petty, Plummer, Priddy, Rapier, Richards, Robinson, Romines, Sale, Schmidt, Stone, Tobin, Turner, Van Horn, White, Worthington. Nays 16-Craddock, Cyrus, Davenport, Deskins, Hines, Holbrook, Kidd, Lewis, Little, Maynard, McNutt, Nett, Noe, Overstreet, Stumbo, Wright.

Senate Amendment No. 6 to Senate Committee Substitute to **HB 20** was adopted.

Representative Priddy moved that the House concur in the following Senate Amendment No. 7 to the Committee Substitute to **HB 20.**

Amend printed copy of Senate Committee Substitute for **HB 20** on page 6, after line 24, insert the following new sections and renumber the subsequent sections accordingly:

"SECTION 10. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

Any city of the first class which proposes to annex territory pursuant to KRS 81.100 or 81.120 shall, prior to the enactment of the first ordinance, hold public hearings as provided in Section 11 of this Act and prepare a report setting forth the plans for the extension of services to the area proposed to be annexed. The report shall include:

(1) A map of the city and adjacent territory to show the following information:

(a) The present and proposed boundaries of the city;

(b) The present streets, major trunk water mains, sewer interceptors and outfalls as well as other utility lines:

(c) The present areas receiving, or able to receive, major city services, and the proposed extension of such services to other areas; and

(d) The prevailing general land use patterns existing in the area to be annexed.

(2) A statement showing that the area to be annexed meets the requirements of KRS 81.100 or 81.120.

(3) A statement setting forth the plans of the city for extending to the area to be annexed each major city service owned by the city or subsidized through city tax revenues and performed within the city at the time of annexation. Such statement shall:

(a) Provide for extending police and fire protection, garbage collection, and street maintenance services to the area to be annexed on the date of annexation, on substantially the same basis and in the same manner as such services are provided within the boundaries of the city prior to annexation;

(b) Provide for extension, into the area to be annexed, of streets and of major trunk water mains, sewer outfall lines, and lines for such utility services as the city provides to existing city residents and legally may provide in the annexed area, so that when such streets and utility lines are constructed, property owners in the area to be annexed will be able to secure the services, according to the policies in effect in the city for extending the services to individual lots or subdivisions; and shall name the government proposed to be responsible under the plans for any streets or form a boundary of the area to be annexed;

(c) Set forth a proposed timetable for the extension of, and if necessary, the construction for each major city service;

(d) Set forth a projected estimation of tax rates pursuant to Section 12 of this Act to be levied by the city upon the area to be annexed and affected residents of that area for each year until such time that all major city services have been provided; and

(e) Set forth the method under which the city plans to finance extension of services into the area to be annexed.

SECTION 11. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) After the preparation of the report required by Section 10 of this Act, any city of the first class proposing annexation shall hold at least two (2) public hearings on the proposed annexation prior to the enactment of the first ordinance. Additional hearings may be held. Notice of such hearings shall be published in accordance with KRS Chapter 424.

(2) The hearings held pursuant to this section shall provide an opportunity to be heard to all persons residing or owning property in the area described in the notice of the public hearing, and to all residents of the city.

(3) At each public hearing, a representative of the city shall make an explanation of the report required in Section 10 of this Act. Such explanation shall be as detailed as necessary so as to convey an accurate and definitive report.

(4) The board of aldermen shall take into consideration facts presented at the public hearings and shall have authority to amend the report required by Section 10 of this Act and to make changes in the plans for serving the area proposed to be annexed. If any amendment or change is approved by the board, another hearing shall be held to provide any person residing or owning property in the area to be annexed or any resident of the city an opportunity to be heard on the amendment or amendments. Such hearing shall be held not later than thirty (30) days after the board approves the amendment. Notice of such hearing shall be published in accordance with KRS Chapter 424.

SECTION 12. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) A city of the first class shall tax property within the annexed area only in such amount as is commensurate with city services or facilities actually made available to the residents or property of the affected area including continuation of services provided prior to annexation.

(2) If services available from the city have been provided prior to annexation from another source in the annexed area, the city shall not tax for such services unless they are actually provided by the city as a lawful replacement for existing services."

On the roll call the vote was yeas 50-Allen, Arnold, Bennett, Blair, Blythe, Brinkley, Bronger, Brown, Burnette, Caldwell, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Gray, Guenthner, Haering, Heleringer, Holloway, Isler, Kenton, Kidd, Layman, List, Little, Lundergan, May, McBee, Morris, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Richards, Robinson, Romines, Sale, Schmidt, Stone, Van Horn, White. Nays 20-Adams, Bendl, Cawood, Clark, Clarke, Craddock, Deskins, Foster, Hines, Holbrook, Mann, Maynard, McNutt, Nett, Noe, Overstreet, Thomas, Tobin, Wilborn, Wright.

Senate Amendment No. 7 to the Committee Substitute to **HB 20** was adopted.

Representative DeFalaise moved that the House concur in the following Senate Amendment No. 8 to the Senate Committee Substitute to **HB 20.**

Amend printed copy of Senate Committee Substitute for **HB 20** on page 9, between lines 10 and 11, by inserting the following: "A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS: Not withstanding any other provision of this Act, all rights of the utilities providing utility services in any area annexed by a city prior to the annexation, existing under other statutes, laws, or regulations are hereby expressly preserved."

On the roll call the vote was yeas 38-Adams, Allen, Arnold, Bennett, Boswell, Burnette, Caldwell, Cawood, Cyrus, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Holloway, Isler, Kenton, Layman, McBee, Patrick, Petty, Plummer, Priddy, Rattliff, Richards, Riner, Robinson, Romines, Schmidt, Stone, Thomason, Turner, Van Horn, Weinberg. Nays 6-Hines, Kidd, Maynard, Nett, Noe, P. Richardson.

Senate Amendment No. 8 to the Senate Committee Substitute to **HB 20** was adopted.

Representative DeFalaise moved that the House concur in the following Senate Amendment No. 10 to the Senate Committee Substitute to **HB 20.**

Amend printed copy of Senate Committee Substitute for **HB 20** on page 6, between lines 18 and 19, insert the following:

"SECTION 9. A NEW SECTION OF KRS CHAPTER 96 IS CREATED TO READ AS FOLLOWS:

Any water or sewer utility owned by a city shall develop rules to govern extensions of service to unserved customers and areas. These rules may require that the applicant or applicants for new service pay to the utility all or part of the cost of extending utility lines. Where such payment is required, however, the cost of any extension greater than one hundred feet per applicant shall be subject to refund by the utility on a prorated basis for each additional customer whose service line is directly connected to the extension line paid for by the initial applicant or applicants. The refund period shall extend at least ten years, and in no case shall the refund amounts exceed the amount paid. Nothing in this section shall be construed to prevent a water or sewer utility from adopting extension or refund policies which are more lenient to customers than are herein specified."; and

by renumbering all remaining section numbers accordingly.

On the roll call the vote was yeas 42-Allen, Arnold, Barrows, Bennett, Blair, Brinkley, Bruce, Caldwell, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Foster, Freibert, Guenthner, Holloway, Isler, Layman, LeMaster, List, McBee, McKinney, Patrick, Petty, Plummer, Priddy, Rattliff, Richards, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Stone, Thomason, Turner, Van Horn, Weinberg, White. Nays 9-Craddock, Farrow, Holbrook, Maynard, McNutt, Moberly, Nett, Noe, Wright.

Senate Amendment No. 10 to the Senate Committee Substitute to **HB 20** was adopted.

Representative DeFalaise moved that the House concur in the following Senate Amendment No. 12 to the Senate Committee Substitute to **HB 20.**

Amend printed copy of Senate Committee Substitute for **HB 20** on page 4, line 1, after the comma following "herein" add the following: "or within sixty (60) days of the certification of election results in which less than seventy-five percent (75%) of the qualified voters in the area opposed annexation,".

On the roll call the vote was yeas 49-Adams, Allen, Barrows, Bennett, Blair, Boswell, Brinkley, Brown, Bruce, Crupper, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Holloway, Isler, Kenton, LeMaster, List, Little, McBee, Morris, Nett, O'Brien, Patrick, Petty, Plummer, Priddy, Rattliff, Richards, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Stone, Thomason, Turner, Van Horn, Weinberg, White, Worthington. Nays 8-Caldwell, Craddock, Holbrook, McNutt, Moberly, Noe, Overstreet, Tobin.

Senate Amendment No. 12 to the Senate Committee Substitute to **HB 20** was adopted.

Representative DeFalaise moved that **HB 20,** by way of Senate Committee Substitute as amended, be passed.

On the roll call the vote was yeas 54-Adams, Allen, Arnold, Bennett, Blair, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Curd, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Foster, Freibert, Fryman, Guenthner, Hancock, Holloway, Isler, Kenton, Layman, LeMaster, List, Little, McBee, Morris, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Stone, Thomason, Turner, Van Horn, White, Worthington. Nays 28-Barrows, Bendl, Blandford, Blythe, Boswell, Cawood, Clark, Clarke, Craddock, Crupper, Davenport, Farrow, Hines, Holbrook, Johnson, Kidd, Mann, Maynard, McNutt, Moberly, Nett, Noe, Smith, Thomas, Tobin, Weinberg, Wilborn, Wright.

HB 20, by way of Senate Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 20,** by way of Senate Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 32, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Yates moved that the House concur in the following Senate Amendment to **HB 32.**

Amend printed copy of **HB 32** on page 2, line 1, by deleting the word "*shall*" and inserting the word "*may*" in lieu thereof.

On the roll call the vote was yeas 71-Adams, Allen, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Heleringer, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Wright, Yates. Nays 9-Blythe, Caldwell, Cawood, J. Clarke, Davenport, Overstreet, Thomas, Williams, Worthington.

The Senate Amendment to **HB 32** was adopted.

Representative Yates moved that **HB 32,** as amended by the Senate, be passed.

On the roll call the vote was yeas 63-Adams, Allen, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Haering, Hancock, Heleringer, Holbrook, Isler, Johnson, Kenton, Kidd, List, Maynard, McBee, Noe, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 5-Cawood, J. Clarke, Mann, Wilborn, Williams.

HB 32, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 32,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Guenthner requested that he be recorded as voting "yea" on **HB 532.** (There was a machine malfunction and his vote did not register.) Agreed.

HB 38, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Romines moved that the House concur in the following Senate Amendment to **HB 38.**

Amend printed copy of **HB 38** on page 1, line 18, after the word "transportation", by deleting the word "and" and adding a period and inserting the words "*Permits shall be printed at department expense and distributed to*";

and on page 1, line 18, after the second "county" by inserting the word "*who*";

and on page 2, line 17, after the word "displaying" by inserting the words "*an auto registration plate as provided in KRS 186.042, an out of state handicapped registration plate or*";

and on page 3, line 6, after the word "area" by deleting the words "without displaying" and inserting the words "*in a motor vehicle not displaying either a handicapped auto registration plate as provided in KRS 186.042 or an out of state handicapped registration plate on the rear of the vehicle unless he displays*" in lieu thereof.

On the roll call the vote was yeas 73-Adams, Allen, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Little, Mann, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

Senate Amendment to **HB 38** was adopted.

Representative Romines moved that **HB 38,** as amended by the Senate, be passed.

On the roll call the vote was yeas 76-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Heleringer, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Little, Mann, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HB 38, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 38,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 51, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Wilborn moved that the House concur in the following Senate Amendment to **HB 51.**

Amend printed copy of **HB 51** on page 1, line 7, after the word "*in*" insert the following "*subsection 2 of*";

and on page 1, line 11, by inserting a "*(2)*" before the word "*students*" to start a new subsection;

and on page 1, line 13, after the word "*trips*" insert the following "*, or co-curricular activity*";

and on page 1, line 19, by deleting the words "*an enrichment*" and inserting "*a qualifying*" in lieu thereof;

and on page 2, line 4, by deleting "(2)" and inserting "*(3)*" in lieu thereof.

and on page 2, line 11, by deleting all new material on lines 11, 12 and 13.

On the roll call the vote was yeas 3-DeMarcus, Gray, Kidd. Nays 66-Adams, Allen, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clark, Craddock, Curd, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, List, Little, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates.

The motion that the House concur in Senate Amendment to **HB 51** was rejected.

HB 59, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Holbrook moved that the House concur in the following Senate Amendment to **HB 59.**

Amend printed copy of **HB 59** on page 2, line 4, delete "67A.320, 67A.340, 67A.360,";

and on page 14, delete all the words on lines 25 and 26;

and on page 15, delete all the words on lines 1 through 15.

On the roll call the vote was yeas 72-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bruce, Caldwell, Cawood, Clark, Craddock, Curd, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Lewis, List, Little, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Williams, Worthington, Wright, Yates. Nays 4-Deskins, Freibert, Gray, Overstreet.

Senate Amendment to **HB 59** was adopted.

Representative Holbrook moved that **HB 59,** as amended by the Senate, be passed.

On the roll call the vote was yeas 66-Arnold, Barrows, Bennett, Blair, Blythe, Boswell, Brinkley, Bruce, Burnette, Caldwell, Cawood, Clark, Craddock, Curd, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Farrow, Freibert, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Little, Mann, Maynard, McBee, McNutt, Moberly, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 3-Deskins, Gray, Lewis.

HB 59, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 59,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 62, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Kidd moved that the House concur in the following Senate Amendment to **HB 62.**

Amend printed copy of **HB 62** on page 6, line 10, by adding an "s" to the word borrower.

On the roll call the vote was yeas 73-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Bruce, Caldwell, Cawood, Clark, Craddock, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, May, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Patrick, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Williams, Worthington, Wright, Yates. Nays 1-Deskins.

Senate Amendment to **HB 62** was adopted.

Representative Kidd moved that **HB 62,** as amended by the Senate, be passed.

On the roll call the vote was yeas 75-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Bruce, Caldwell, Cawood, Clark, Craddock, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, May, Maynard, McBee, McKinney, McNutt, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 2-Deskins, Lewis.

HB 62, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 62,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 66, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Robinson moved that the House concur in the following Senate Amendment No. 3 to **HB 66.**

Amend printed copy of **HB 66** on page 1, before line 1, to insert the following:

"Section 1. KRS 431.005 is amended to read as follows:

(1) A peace officer may make an arrest:

(a) In obedience to a warrant; or

(b) Without a warrant when a felony is committed in his presence; or

(c) Without a warrant when he has reasonable grounds to believe that the person being arrested has committed a felony; or

(d) Without a warrant when a misdemeanor, as defined in KRS 431.060, has been committed in his presence; or

(e) Without a warrant when a violation of KRS 189.290, 189.393, 189.520, 189.580, 511.080, or 525.070 has been committed in his presence. [in obedience to a warrant, or without a warrant when a felony or misdemeanor is committed in his presence or when he has reasonable grounds to believe that the person being arrested has committed a felony.]

(2) A private person may make an arrest when a felony has been committed in fact and he has reasonable grounds to believe that the person being arrested has committed it."

and on page 1, line 1, to delete "Section 1." and to insert in lieu thereof "Section 2.";

and on page 1, line 5, following "tion" to add the following: "*(except for violations of KRS 189.290, 189.393, 189.520, 189.580, 511.080, or 525.070)*";

and on page 1, line 18, following "KRS" to add "*189.290,*";

and on page 2, below line 6, to add the following:

"Section 3. KRS 431.060 is amended to read as follows:

Offenses are either felonies, misdemeanors, or violations:

(1) Offenses punishable by death or confinement in the penitentiary, whether or not a fine or other penalty may also be assessed, are felonies.

(2) Offenses punishable by confinement other than in the penitentiary, whether or not a fine or other penalty may also be assessed are misdemeanors.

(3) Offenses punishable by a fine only or by any other penalty not cited herein, whether in combination with a fine or not, are violations [Offenses are either felonies or misdemeanors. Offenses punishable with death or confinement in the penitentiary are felonies. All other offenses, whether at common law or made so by statute, are misdemeanors].

Section 4. KRS 431.410 is amended to read as follows:

The issuance of a summons rather than an arrest warrant shall be mandatory for all offenses, *except for violations of KRS 189.290, 189.393, 189.520, 189.580, 511.080 or 525.070,* which are deemed violations as defined in KRS 532.020(4) and traffic infractions for which a sentence of a fine only can be imposed unless the judicial officer finds that:

(1) The defendant previously has failed to respond to a citation or summons for an offense; or

(2) He has no ties to the community and there is a substantial likelihood that he will refuse to respond to a summons; or

(3) The whereabouts of the defendant are unknown and the issuance of an arrest warrant is necessary in order to subject him to the jurisdiction of the court; or

(4) Where arrest is necessary to prevent imminent bodily harm to the accused or to another; or

(5) For any other good and compelling reason as determined by the judicial officer.

Section 5. KRS 532.020 is amended to read as follows:

(1) Any offense defined outside this code for which a law outside this code provides a sentence to a term of imprisonment in the state penitentiary or reformatory for:

(a) At least one but not more than five years shall be deemed a Class D felony;

(b) At least five but not more than ten years shall be deemed a Class C felony;

(c) At least ten but not more than twenty years shall be deemed a Class B felony;

(d) For twenty or more years shall be deemed a Class A felony.

(2) Any offense defined outside this code for which a law outside this code provides a sentence to a definite term of imprisonment with a maximum which falls between ninety days and twelve months shall be deemed a Class A misdemeanor.

(3) Any offense defined outside this code for which a law outside this code provides a sentence to a definite term of imprisonment with a maximum of less than ninety days shall be deemed a Class B misdemeanor.

(4) Any offense defined outside this code for which a law outside this code provides a sentence to a fine *only or to any other punishment, whether in combination with a fine or not, other than death or imprisonment* [but no term of imprisonment] shall be deemed a violation."

On the roll call the vote was yeas 48-Allen, Blair, Blythe, Boswell, Brinkley, Caldwell, Clark, Crupper, Davenport, DeFalaise, DeMarcus, Donnermeyer, Foster, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Isler, Jones, LeMaster, List, Little, May, McBee, McKinney, Noe, Patrick, Petty, Plummer, Priddy, Richards, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Turner, Weinberg, White, Wright, Yates. Nays 27-Adams, Barrows, Bennett, Bruce, Burnette, Cawood, Clarke, Craddock, Curd, Deskins, Farrow, Gray, Holbrook, Johnson, Kenton, Mann, McNutt, Moberly, O'Brien, Overstreet, Rapier, B. Richardson, Tobin, Van Horn, Wilborn, Williams, Worthington.

Senate Amendment No. 3 to **HB 66** was adopted.

Speaker Pro Tempore Hancock presiding.

Representative Robinson moved that the House concur in the following Senate Amendment No. 1 to **HB 66:**

Amend printed copy of **HB 66** on page 1, line 3, by deleting "*shall*" and by deleting the brackets before and after the word "may".

On the roll call the vote was yeas 45-Adams, Allen, Arnold, Barrows, Bendl, Blair, Boswell, Brinkley, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, DeMarcus, Donnermeyer, Farrow, Foster, Freibert, Haering, Head, Hines, Isler, Kidd, List, Little, McBee, McKinney, McNutt, Moberly, Noe, Petty, Rapier, Richards, B. Richardson, Riner, Robinson, Sale, Schmidt, Stone, Thomas, Tobin, Turner, White, Wright. Nays 15-Bennett, Blythe, Deskins, Gray, Guenthner, Heleringer, Jones, LeMaster, Lewis, Maynard, Overstreet, Smith, Thomason, Van Horn, Williams.

Senate Amendment No. 1 to **HB 66** was adopted.

Representative Robinson moved that the House concur in the following Senate Amendment No. 4 to **HB 66.**

Amend printed copy of **HB 66** on the Title page, by deleting "traffic offenses" and by inserting in lieu thereof "crimes and punishments";

On the roll call the vote was yeas 31-Allen, Arnold, Bendl, Blair, Blythe, Boswell, Caldwell, Clark, Davenport, DeMarcus, Donnermeyer, Guenthner, Haering, Heleringer, Isler, Lewis, List, McBee, McNutt, Noe, Patrick, Petty, Rattliff, Richards, Robinson, Sale, Smith, Stumbo, Turner, White, Wright. Nays 33-Adams, Barrows, Bennett, Cawood, Craddock, Crupper, Curd, Deskins, Farrow, Foster, Gray, Head, Johnson, Jones, Kenton, Kidd, LeMaster, Little, Maynard, Moberly, O'Brien, Overstreet, Priddy, Rapier, B. Richardson, P. Richardson, Riner, Thomason, Tobin, Van Horn, Wilborn, Williams, Worthington.

The motion that the House concur in Senate Amendment No. 4 to **HB 66** was rejected.

Representative Deskins moved that Senate Amendment No. 4 to **HB 66** be reconsidered. Agreed.

On the roll call the vote was yeas 42-Adams, Allen, Arnold, Bendl, Blair, Blythe, Brinkley, Bruce, Caldwell, Clark, Davenport, DeFalaise, DeMarcus, Deskins, Dunn, Foster, Freibert, Fryman, Haering, Head, Heleringer, Isler, Lewis, Little, McBee, McKinney, McNutt, Noe, Patrick, Petty, Rattliff, Richards, Robinson, Sale, Smith, Stone, Turner, Weinberg, White, Worthington, Wright, Yates. Nays 34-Barrows, Bennett, Burnette, Cawood, Clarke, Craddock, Crupper, Curd, Donnermeyer, Farrow, Gray, Guenthner, Hines, Johnson, Jones, LeMaster, Mann, Maynard, Moberly, Nett, O'Brien, Overstreet, Priddy, Rapier, B. Richardson, P. Richardson, Riner, Romines, Stumbo, Thomason, Tobin, Van Horn, Wilborn, Williams.

Senate Amendment No. 4 to **HB 66** was adopted.

Representative Robinson moved that **HB 66,** as amended by the Senate, be passed.

Representative B. Richardson moved that the vote on Senate Amendment No. 3 to **HB 66** be reconsidered.

On the roll call the vote was yeas 73-Adams, Allen, Barrows, Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Head, Hines, Holbrook, Isler, Johnson, Layman, LeMaster, List, Little, Mann, May, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Rattliff, Richards, P. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 2-Blythe, Kidd.

The motion that the vote on Senate Amendment No. 3 to **HB 66** be reconsidered was adopted.

Representative Robinson moved that the House refuse to concur in the Senate Amendment No. 3 to **HB 66.**

On the roll call the vote was yeas 71-Adams, Allen, Barrows, Bendl, Bennett, Blair, Boswell, Brinkley, Brown, Burch, Burnette, Caldwell, Cawood, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Gray, Guenthner, Haering, Head, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, P. Richardson, Riner, Robinson, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 1-Blythe.

The motion that the House refuse to concur in the Senate Amendment No. 3 to **HB 66** was adopted.

Representative B. Richardson moved that the clincher motion be removed from **HB 532.** Agreed.

Representative B. Richardson moved that **HB 532** be reconsidered.

On the roll call the vote was yeas 52-Adams, Arnold, Bendl, Blair, Blythe, Brinkley, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clarke, Craddock, Curd, Davenport, DeMarcus, Farrow, Foster, Freibert, Fryman, Guenthner, Hancock, Hines, Holbrook, Holloway, Kenton, Kidd, Lundergan, May, Maynard, McBee, O'Brien, Patrick, Petty, Plummer, Rapier, Rattliff, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, Weinberg, Wilborn, Worthington, Wright. Nays 20-Bennett, Boswell, Bronger, Brown, Clark, Crupper, Donnermeyer, Gray, Head, Isler, Little, Moberly, Nett, Noe, Romines, Smith, Stumbo, Van Horn, Williams, Yates.

The motion that the vote on **HB 532** be reconsidered was adopted.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 5 to **HB 532.**

Amend printed copy of **HB 532** on page 18 through 21, by deleting "Section 10" in its entirety and, renumber remaining sections accordingly.

Representative Deskins moved that Senate Amendment No. 5 to **HB 532** be laid on the table.

On the roll call the vote was yeas 28-Bennett, Brinkley, Bronger, Brown, Burch, Cawood, Clark, Dawahare, Deskins, Donnermeyer, Dunn, Gray, Isler, Lewis, Little, Mann, Moberly, Nett, Noe, Romines, Smith, Stumbo, Thomas, Van Horn, Weinberg, White, Williams, Yates. Nays 48-Adams, Allen, Arnold, Bendl, Blair, Blythe, Bruce, Burnette, Caldwell, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, Farrow, Foster, Freibert, Fryman, Guenthner, Hancock, Head, Hines, Holloway, Kenton, LeMaster, List, Lundergan, May, Maynard, McBee, O'Brien, Petty, Plumber, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Thomason, Tobin, Turner, Wilborn, Worthington.

The motion that Senate Amendment No. 5 to **HB 532** be laid on the table was rejected.

On the roll call the vote was yeas 66-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Bruce, Burch, Caldwell, Cawood, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Farrow, Foster, Freibert, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Johnson, Jones, Kenton, LeMaster, List, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Sale, Schmidt, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright. Nays 11-Blythe, Brinkley, Bronger, Clark, Gray, Isler, McKinney, Priddy, Romines, Stumbo, Yates.

Senate Amendment No. 5 to **HB 532** was adopted.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 29 to **HB 532.**

Amend printed copy of **HB 532** on page 39, line 18 and 19, delete "*physical*".

On the roll call the vote was yeas 87-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 1-Stumbo.

Senate Amendment No. 29 to **HB 532** was adopted.

Representative B. Richardson moved that **HB 532** as amended by Senate Amendments No. 4*, No. 5 and No. 29 be passed. (*Senate Amendment No. 4 previously concurred in.)

Representative Weinberg moved that **HB 532** be laid on the Clerk's desk.

On the roll call the vote was yeas 35-Barrows, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Cawood, Clark, Deskins, Donnermeyer, Dunn, Gray, Haering, Heleringer, Isler, Johnson, LeMaster, Lewis, Little, Mann, McKinney, Moberly, Noe, Overstreet, Priddy, Riner, Romines, Smith, Stumbo, Van Horn, Weinberg, Williams, Yates. Nays 54-Adams, Allen, Arnold, Bendl, Blair, Blythe, Burnette, Caldwell, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Farrow, Foster, Freibert, Fryman, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Jones, Kenton, Layman, List, Lundergan, May, Maynard, McBee, McNutt, Nett, O'Brien, Patrick, Petty, Plummer, Rapier, Rattliff, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Stone, Thomason, Tobin, Turner, Wilborn, Worthington, Wright.

The motion that **HB 532** be laid on the Clerk's desk was rejected.

On the roll call the vote was yeas 58-Adams, Allen, Arnold, Barrows, Bendl, Blair, Blythe, Bruce, Burnette, Caldwell, Clapp, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Farrow, Foster, Freibert, Fryman, Guenthner, Hancock, Head, Holbrook, Holloway, Jones, Layman, LeMaster, List, Lundergan, May, Maynard, McBee, McNutt, Morris, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Sale, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, Wilborn, Worthington, Wright. Nays 38-Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Cawood, Clark, Deskins, Donnermeyer, Dunn, Ellington, Gray, Haering, Heleringer, Hines, Isler, Johnson, Kenton, Kidd, Lewis, Little, Mann, McKinney, Moberly, Nett, Noe, Priddy, Riner, Romines, Smith, Stumbo, Van Horn, Weinberg, White, Williams, Yates.

HB 532, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 532,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

The following letter was received in regard to **SB 17:** "The Senate has refused to concur in the title amendment and the house amendments No. 1 and No. 2 to **SB 17** and respectfully requests this Honorable Body to recede."

The following letter was received in regard to **SB 44:** "The Senate has refused to concur in the house amendments No. 1 and No. 3 to **SB 44** and respectfully requests this Honorable Body to recede."

The following letter was received in regard to **SB 41:** "The Senate has concurred in the house floor amendment No. 1 and has refused to concur in the house floor amendment No. 5 and respectfully requests this Honorable Body to recede from floor amendment No. 5."

The following letter was received in regard to **HB 931:** "The Senate has refused to recede from its amendments to **HB 931** and requests that a Conference Committee be appointed. The following members have been appointed from the Senate: Senators Baker, Hughes, and Moloney."

Orders of the Day (Cont.)

The Speaker announced the following Conference Committee members for **HB 931:** Representatives Clarke, Schmidt, May, Nett, Craddock, Adams and Jones. The following members were named as non voting, advisory conferees: Representatives Donnermeyer, Hancock and Morris.

HB 71, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Clarke moved that the House concur in the following Senate Amendment to **HB 71.**

Amend printed copy of **HB 71** on page 1, line 11, by inserting after the word "shall" the following: ", *subject to the provisions of KRS 41.020 to 41.390,*".

On the roll call the vote was yeas 72-Adams, Allen, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Nett, O'Brien, Overstreet, Petty, Rapier, Rattliff, Richards, P. Richardson, Riner, Robinson, Romines, Schmidt, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Wright, Yates. Nays 0.

Senate Amendment to **HB 71** was adopted.

Representative Clarke moved that **HB 71,** as amended by the Senate, be passed.

On the roll call the vote was yeas 72-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Davenport, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Head, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Layman, LeMaster, List, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 3-Allen, Deskins, Patrick.

HB 71, as amended, by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 71,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 14, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 2 to **HB 14.**

Amend printed copy of **HB 14** on page 3, line 22 to 26, by deleting same;

and on page 4, line 1 to 13, by deleting same;

and on page 4, line 14, by renumbering Section 7 to read Section 5.

On the roll call the vote was yeas 56-Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Clark, Crupper, Curd, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Haering, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, List, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, O'Brien, Overstreet, Patrick, Priddy, Rapier, Riner, Schmidt, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Williams, Worthington, Yates. Nays 24-Adams, Allen, Barrows, Blair, Caldwell, Cawood, Craddock, Davenport, Gray, Hancock, Head, Layman, LeMaster, Lewis, Noe, Plummer, Richards, B. Richardson, P. Richardson, Robinson, Smith, Turner, Weinberg, White, Wright.

Senate Amendment No. 2 to **HB 14** was adopted.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 4 to **HB 14.**

Amend printed copy of **HB 14** on page 3, line 18, by deleting "*two (2)*";

and on page 3, line 19, by deleting "*and shall be ineligible for the succeeding four (4)*";

and on page 3, line 20, by deleting its entirety;

and on page 3, line 21, by deleting "*he shall have been elected.*"

On the roll call the vote was yeas 66-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Cawood, Craddock, Crupper, Curd, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Little, Mann, May, Maynard, McBee, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Wilborn, Williams, Worthington, Yates. Nays 9-Allen, Blythe, Caldwell, Haering, Head, Lewis, Robinson, Weinberg, Wright.

Senate Amendment No. 4 to **HB 14** was adopted.

Representative B. Richardson moved that **HB 14,** as amendment by the Senate, be passed.

On the roll call the vote was yeas 70-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clark, Clarke, Crupper, Curd, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Foster, Fryman, Guenthner, Haering, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, List, Little, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Wilborn, Williams, Worthington, Yates. Nays 18-Caldwell, Cawood, Davenport, Farrow, Freibert, Gray, Hancock, Heleringer, LeMaster, Lewis, McNutt, Rattliff, Riner, Robinson, Van Horn, Weinberg, White, Wright.

HB 14, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 14,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 424, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Williams moved that the House refuse to concur in the following Senate Amendment to **HB 424.**

Amend printed copy of **HB 424** on page 2, line 19, by deleting lines 19 through 22 in their entirety;

and on line 23, by re-lettering paragraph (d) accordingly.

On the roll call the vote was yeas 73-Adams, Arnold, Bendl, Bennett, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Clark, Crupper, Curd, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kidd, LeMaster, Lewis, List, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Smith, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, White, Williams, Worthington, Wright, Yates. Nays 5-Barrows, Blair, Cawood, Layman, Weinberg.

The motion that the House refuse to concur in the Senate Amendment to **HB 424** was adopted.

HB 84, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative LeMaster moved that the House concur in the Senate Amendment No. 1 to **HB 84.**

Amend printed copy of **HB 84** on page 1, line 3, by deleting "(1)".

and on page 1, by deleting lines 9 through 15 in their entirety.

On the roll call the vote was yeas 70-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Clark, Crupper, Curd, Davenport, Dawahare, DeFalaise, Donnermeyer, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, May, Maynard, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Richards, P. Richardson, Robinson, Romines, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 4-Blythe, Burnette, Caldwell, Patrick.

Senate Amendment No. 1 to **HB 84** was adopted.

Representative LeMaster moved that the House concur in the following Senate Amendment No. 2 to **HB 84.**

Amend printed copy of **HB 84** on page 1, delete lines 3 through 8, and insert in place thereof:

"1. When a bill enrolled, either approved by the Governor or which became law without the Governor's signature under the provisions of Constitution Section 88, and which as been filed with the Secretary of State, contains language which is not identical to that contained in the bill passed by the legislature, and when the variance is material, that language not conforming to the bill as passed shall be severed and shall be void."

On the roll call the vote was yeas 73-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Noe, Overstreet, Petty, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright. Nays 1-Patrick.

Senate Amendment No. 2 to **HB 84** was adopted.

Representative LeMaster moved that **HB 84,** as amended by the Senate, be passed.

On the roll call the vote was yeas 71-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Heleringer, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Noe, Overstreet, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, Romines, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 1-Patrick.

HB 84, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 84,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 86, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Deskins moved that the House concur in the following Senate Amendment No. 4 to **HB 86.**

Amend printed copy of **HB 86** on page 1, line 8, after the word "*without*" by adding the word "*a*";

and on page 1, line 12, by deleting the words "*intentionally or*";

and on page 1, line 13, after the word "*has*" by inserting the words "*intentionally or*"

and on page 1, line 15, after the word "*stepchild*" by changing the "," to a "." and deleting the remainder of the line in its entirety;

and on page 1, line 16, by deleting in its entirety;

and on page 1, line 17, by deleting in its entirety;

and on page 1, line 18, by deleting in its entirety;

and on page 1, line 15, after the word "*stepchild*" by adding the following: "*Within twelve (12) hours following apprehension and booking of a person arrested under this section, an officer shall return to the abused person, if the abused person is an adult, and request that a signed, written statement be made by the abused person stating that an abuse occurred and the person who committed it. If the abused person refuses to sign the statement, the charges shall be summarily dismissed and the defendant released from custody.*"

On the roll call the vote as yeas 47-Adams, Barrows, Bendl, Bennett, Blythe, Bronger, Bruce, Burch, Caldwell, Cawood, Curd, DeFalaise, Deskins, Donnermeyer, Foster, Gray, Hancock, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McKinney, McNutt, Morris, Nett, Noe, Petty, Priddy, Rapier, Richards, B. Richardson, Robinson, Thomas, Tobin, Van Horn, Weinberg, White, Wilborn, Yates. Nays 40-Allen, Blair, Blandford, Boswell, Burnette, Clapp, Clark, Crupper, Davenport, Dawahare, DeMarcus, Dunn, Ellington, Farrow, Freibert, Fryman, Guenthner, Haering, Head, Heleringer, Holloway, Johnson, Layman, Lewis, Maynard, Moberly, O'Brien, Overstreet, Patrick, Plummer, Rattliff, P. Richardson, Riner, Smith, Stone, Stumbo, Thomason, Turner, Worthington, Wright.

Senate Amendment No. 4 to **HB 86** was adopted.

Representative Deskins moved that **HB 86** as amended by the Senate, be passed.

On the roll call the vote was yeas 46-Adams, Arnold, Barrows, Bendl, Bennett, Blythe, Brinkley, Burch, Caldwell, Cawood, Clarke, Craddock, Curd, DeFalaise, Deskins, Donnermeyer, Foster, Gray, Hines, Holbrook, Isler, Jones, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McNutt, Moberly, Morris, Nett, Noe, Petty, Rapier, Richards, B. Richardson, Schmidt, Thomas, Tobin, Van Horn, White, Wilborn, Williams, Yates. Nays 41-Allen, Blair, Blandford, Boswell, Bronger, Burnette, Clapp, Clark, Crupper, Davenport, Dawahare, DeMarcus, Dunn, Ellington, Farrow, Fryman, Guenthner, Haering, Head, Holloway, Johnson, Kenton, Layman, Lewis, Maynard, McKinney, O'Brien, Patrick, Plummer, Priddy, Rattliff, P. Richardson, Riner, Smith, Stone, Stumbo, Thomason, Turner, Weinberg, Worthington, Wright.

HB 86, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 86,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Recess

Representative B. Richardson moved that the House recess for fifteen minutes.

On the roll call the vote was yeas 26-Adams, Caldwell, Cawood, Craddock, Curd, Davenport, Donnermeyer, Foster, Hancock, Hines, Holbrook, Isler, Kenton, Mann, Moberly, Petty, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Riner, Thomason, Turner, Van Horn, Williams. Nays 9-Dunn, Gray, List, Overstreet, Rattliff, Romines, Smith, Weinberg, Worthington.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (Cont.)

HB 106, with Senate Amendments attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Foster moved that the House concur in the following Senate Amendment No. 1 to **HB 106.**

Amend printed copy of **HB 106** on page 1, line 13, after the word "The" add the word "full-time".

On the roll call the vote was yeas 41-Adams, Barrows, Bendl, Brinkley, Bronger, Bruce, Burch, Clarke, Craddock, Dawahare, DeMarcus, Donnermyer, Dunn, Ellington, Farrow, Foster, Freibert, Hancock, Hines, Holbrook, Isler, Johnson, Kidd, List, Mann, Maynard, McBee, Nett, Noe, O'Brien, Petty, Richards, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Yates. Nays 22-Arnold, Blair, Brown, Cawood, Crupper, Curd, Fryman, Gray, Haering, Kenton, Lewis, Little, Lundergan, McNutt, Patrick, Plummer, Rapier, Rattliff, P. Richardson, Smith, Stumbo, White.

Senate Amendment No. 1 to **HB 106** was adopted.

Representative Weinberg moved that the House concur in the following Senate Amendment No. 2 to **HB 106.**

Amend printed copy of **HB 106** on page 2, line 10 through 16, delete all material after "(4)";

and on page 2, line 17, delete "(5)";

and on page 4, line 14, after the word "which" insert "in good faith and without malice or fraudulent intent,";

and on page 4, line 16, after "shall" insert "not";

and on page 4, line 16-18, delete "immune from any liability arising out of a civil action, or penalty resulting from a criminal prosecution arising therefrom." and insert in lieu thereof the following: "liable either civilly or criminally for its compliance with this Act unless it has provided information which it knows, or has reason to believe, to be false, inaccurate, or lacking substantial foundation in fact and unless the reporting of said information is solely for the purpose of delaying or withholding payment of an insurance claim, which the insurer would not otherwise be justified in delaying or withholding."

and on page 4, after line 18, insert the following:

"(6) No insurer, or person acting on its behalf, shall provide information pursuant to Section 2(1) or 2(2) of this Act which does not have substantial foundation in fact or it knows or believes to be false, or inaccurate, and no such information shall be reported solely for the purpose of delaying payment of a claim, which it otherwise would not be justified in delaying."

and on page 6, line 2, after "Section" insert "2(6),";

On the roll call the vote was yeas 59-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Bronger, Bruce, Burch, Caldwell, Cawood, Craddock, Crupper, Curd, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Hancock, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, List, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, Nett, Noe, Overstreet, Petty, Plummer, Rapier, Richards, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Worthington, Yates. Nays 10-Brown, Freibert, Haering, Lewis, Little, O'Brien, Patrick, P. Richardson, Schmidt, Turner.

Senate Amendment No. 2 to **HB 106** was adopted.

Representative Foster moved that **HB 106,** as amended by the Senate, be passed.

On the roll call the vote was yeas 57-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Craddock, Curd, Dawahare, DeFalaise, DeMarcus, Deskins, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Hancock, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, Layman, LeMaster, List, Lundergan, Mann, Maynard, McBee, McNutt, Nett, Noe, Overstreet, Rattliff, Romines, Schmidt, Smith, Stone, Stumbo, Thomason, Tobin, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 15-Brown, Freibert, Fryman, Haering, Lewis, Little, Moberly, O'Brien, Patrick, Plummer, Rapier, P. Richardson, Thomas, Turner, Wilborn.

HB 106, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 106,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 109, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Isler moved that the House concur in the following Senate Amendment No. 1 to **HB 109.**

Amend printed copy of **HB 109** on page 3, by deleting lines 9-26;

and on page 4, by deleting lines 1-2;

and on page 4, line 3, by deleting "3" and by substituting in lieu thereof "2".

On the roll call the vote was yeas 10-Bendl, Burch, Caldwell, Cawood, Gray, Haering, Isler, Schmidt, Stumbo, Wright. Nays 56-Adams, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Craddock, Crupper, Curd, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Hancock, Head, Heleringer, Hines, Holbrook, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, McBee, Moberly, Nett, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Richards, P. Richardson, Romines, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington.

The motion that the House concur in the Senate Amendment No. 1 to **HB 109** was rejected.

HB 125, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Wright moved that the House concur in the Senate Amendment to **HB 125.**

Amend printed copy of **HB 125** on page 1, by inserting after line 14 the following: "*Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death.*"

and on page 5, by inserting after line 12, the following:

"*(15) Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death.*"

and on page 8, by inserting after line 22, the following:

"*(7) Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death.*"

On the roll call the vote was yeas 79-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Rattliff, Richards, P. Richardson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 0.

Senate Amendment to **HB 125** was adopted.

Representative Wright moved that **HB 125,** as amended by the Senate, be passed.

Representative Deskins moved that **HB 125** be laid on the table.

On the roll call the vote was yeas 19-Barrows, Bendl, Blair, Cawood, Clarke, Crupper, Deskins, Gray, Hines, Kidd, LeMaster, Moberly, Noe, Overstreet, Stone, Stumbo, Thomason, Weinberg, Wilborn. Nays 58-Adams, Allen, Arnold, Bennett, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clark, Craddock, Curd, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Isler, Johnson, Kenton, Layman, Lewis, List, Lundergan, Mann, Maynard, McBee, McNutt, Nett, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, P. Richardson, Romines, Schmidt, Smith, Tobin, Turner, Van Horn, White, Worthington, Wright, Yates.

The motion that **HB 125** be laid on the table was rejected.

On the roll call the vote was yeas 67-Adams, Allen, Arnold, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Burch, Burnette, Caldwell, Clark, Craddock, Crupper, Curd, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Isler, Johnson, Kenton, Layman, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McNutt, Morris, Nett, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, P. Richardson, Romines, Schmidt, Smith, Stone, Thomas, Tobin, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 13-Barrows, Bendl, Cawood, Clarke, Deskins, Gray, Hines, Kidd, LeMaster, Moberly, Noe, Overstreet, Wilborn.

HB 125, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 125,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 140, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Dunn moved that the House concur in the following Senate Amendment to **HB 140.**

Amend printed copy of **HB 140** on page 1, line 11, by adding after the word "spouse" the following: ", the voter's parents,".

On the roll call the vote was yeas 74-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Cawood, Clarke, Crupper, Curd, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Mann, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, Rattliff, Richards, P. Richardson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 1-Tobin.

Senate Amendment to **HB 140** was adopted.

Representative Dunn moved that **HB 140,** as amended by the Senate, be passed.

On the roll call the vote was yeas 66-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Crupper, Curd, DeFalaise, DeMarcus, Deskins, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Mann, Maynard, Moberly, Nett, O'Brien, Overstreet, Patrick, Plummer, Rapier, Rattliff, Richards, P. Richardson, Romines, Schmidt, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 6-Allen, Haering, List, McNutt, Tobin, Turner.

HB 140, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 140**, as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 146, with Senate Committee Substitute and Senate Amendments attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Committee Substitute and Senate Amendments attached thereto. Agreed.

Representative Clarke moved that the House concur in the Senate Committee Substitute to **HB 146.**

HB 146, AN ACT relating to property taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 132.020 is amended to read as follows:

(1) An annual ad valorem tax for state purposes of thirty-one and one-half (31-½) cents upon each one hundred dollars ($100) of value of all real property directed to be assessed for taxation, and one and one-half (1-½) cents upon each one hundred dollars ($100) of value of all privately-owned leasehold interests in industrial buildings, as defined under KRS 103.200, owned and financed by a tax-exempt governmental unit, or tax-exempt statutory authority under the provisions of KRS Chapter 103 directed to be assessed for taxation, and one and one-half (1-½) cents upon each one hundred dollars ($100) of value of all tobacco directed to be assessed for taxation, and twenty-five (25) cents upon each one hundred dollars ($100) of value of all money in hand, shares of stock, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, except as otherwise provided in subsection (2) of this section, and one and one-half (1-½) cents upon each one hundred dollars ($100) of value of unmanufactured agricultural products, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operations, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all livestock and domestic fowls, fifteen (15) cents upon machinery and products in course of manufacture, of individuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plant for the purpose of manufacture, fifteen (15) cents upon commercial radio, television and telephonic equipment directly used or associated with electronic equipment which broadcasts electronic signals to an antenna, fifteen (15) cents upon property which has been certified as a pollution control facility as defined in KRS 224.850, and forty-five (45) cents upon each one hundred dollars ($100) of value of all other property directed to be assessed for taxation shall be paid by the owner or person assessed except as provided in subsection (2) of this section and KRS 132.030, 132.050, 132.200, 136.270, 136.300, 136.320 and other sections providing a different tax rate for particular property.

(2) An annual ad valorem tax for state purposes of one and one-half (1 ½) cents upon each one hundred dollars ($100) of value shall be paid upon the following classes of intangible personal properties, when such intangible personal properties have not acquired a taxable situs without this state:

(a) Accounts receivable, notes, bonds, credits, nondomestic bank deposits, and any other intangible property rights arising out of or created in the course of regular and continuing business transactions substantially performed outside this state.

(b) Patents, trademarks, copyrights and licensing or royalty agreements, relating thereto.

(c) Shares of capital stock of any affiliated company as defined in subsection (3) of this section and notes, bonds, accounts receivable and all other intercompany intangible personal property due from such company.

(3) "Affiliated company" shall mean a parent corporation or subsidiary corporation, as defined in KRS 141.205(3), and any corporation principally engaged in business outside the United States in which the owner or the person assessed directly or indirectly owns or controls not less than ten per cent (10%) of the outstanding voting stock.

(4) With respect to the intangible properties taxed pursuant to subsection (2) of this section, no other ad valorem tax shall be levied by the state or any county, city, school or other taxing district on such intangible properties, or directly or indirectly against the owner with respect thereto.

(5) Unmined coal and any interest therein, in whatever form held, including, but not limited to, leasehold and royalty interests shall be taxed at the rate of one-tenth of one cent ($.001) per one hundred dollars of assessed value.

(6) Thirty (30) cents of the thirty-one and one-half (31 ½) cents state tax rate on real property and thirty (30) cents of the forty-five (45) cents state tax on tangible personalty subject to local taxation shall

be considered as local school district tax levies for purposes of computing any direct payments of state or federal funds to said districts as replacement for ad valorem taxes lost on property acquired by a governmental agency. Should the equivalency ever be less than thirty (30) cents, as certified by the department of education, the direct payments shall be reduced proportionately.

(7) The provisions of subsection (1) of this section notwithstanding, the state tax rate on real property shall be reduced to compensate for any increase in the aggregate assessed value of real property to the extent that such increase exceeds the preceding year's assessment by more than four percent (4%). In any year in which the aggregate assessed value of real property is less than the preceding year, the state rate shall be increased to the extent necessary to produce the approximate amount of revenue that was produced in the preceding year from real property.

(8) By July 1 each year, the department of revenue shall compute the state tax rate applicable to real property for the current year in accordance with the provisions of KRS 132.020(6) and certify the rate to the county clerks for their use in preparing the tax bills. In the event the assessments for all counties have not been certified by July 1, the department shall, when real property assessments *of* [equaling] at least seventy-five percent (75%) of the *total number of counties of the Commonwealth* [estimated total value of the real property assessments] have been certified, make an estimate of the *real property assessments of the* uncertified *counties* [amount] and compute the state tax rate.

(9) In the event that the tax rate set by the department as provided in subsection (8) of this section produces more than a four percent (4%) increase in real property tax revenues, the rate shall be adjusted in the succeeding year so that the cumulative total of each year's property tax revenue increase shall not exceed four percent (4%) per year.

Section 2. KRS 132.450 is amended to read as follows:

(1) Each property valuation administrator shall assess at its fair cash value all property which it is his duty to assess except as provided in paragraph (g) of subsection (2) of this section. In the case of securities which are regularly bought and sold through stock exchanges, the price at which such property closed on the last regular business day preceding the assessment day shall be prima facie evidence of the fair cash value of such property. The property of one (1) person shall not be assessed wilfully or intentionally at a lower or higher relative value than the same class of property of another, and any grossly discriminatory valuation shall be construed as an intentional discrimination. The property valuation administrator shall make every effort, through visits with the taxpayer, personal inspection of the property, from records, from his own knowledge, from information in property schedules, and from such other evidence as he may be able to obtain, to locate, identify, and assess property.

(2)(a) On or before *March* [April] 1 of any year the owner or owners of land devoted exclusively to agricultural or horticultural use on which the property valuation administrator has placed a value in excess of the agricultural or horticultural value may file application for valuation at the agricultural or horticultural value with the property valuation administrator of the county in which the land is located, on forms prescribed by the department. This application shall be valid until the property is transferred or the land use is changed; however, the owner may elect to have the subject property assessed as other than agricultural or horticultural land for any year or years by filing a statement to that effect with the property valuation administrator prior to the close of the five (5) day period beginning on the first Monday in June. In determining the total area of such land, there shall be included the area of all land under farm buildings, greenhouses and like structures, lakes, ponds, streams, irrigation ditches and similar facilities, and garden plots devoted to growth of products for on-farm personal consumption but there shall be excluded, land used in connection with dwelling houses including, but not limited to, lawns, drives, flower gardens, swimming pools or other areas devoted to family recreation. Where contiguous land in agricultural or horticultural use in one (1) ownership is located in more than one county or taxing district, compliance with the minimum requirements shall be determined on the basis of the total area and income of such land and not the area or income of land which is located in the particular county or taxing district.

(b) Land devoted to agricultural or horticultural use, where the owner or owners have petitioned for, and been granted, a zoning classification other than for agricultural or horticultural purposes is excluded from the provisions of paragraph (g) of this subsection.

(c) Real property devoted to agricultural or horticultural use by any corporation other than one organized primarily for agricultural or horticultural purposes is excluded from the provisions of paragraph (g) of this subsection.

(d) When the use of a part of a tract of land which is valued and taxed as agricultural or horticultural land is changed either by conveyance or other action of the owner, the right of the remaining land to be retained in the agricultural or horticultural classification for assessment and taxation shall not be impaired provided it meets the minimum requirements for such classification, except that land on which there has been established a systematic pattern of change of use over a period of two (2) years is excluded from the provisions of paragraph (g) of this subsection.

(e) The owner or owners of land shall not be liable for deferred taxes for any year in which the land was not assessed for agricultural or horticultural use under the provisions of paragraph (g) of this subsection.

(f) Where a change in land use occurs in any tax year the owner of such land shall be subject to the deferred tax provisions of subsection (1) of KRS 132.454 for each of the preceding two (2) tax years in which the land was valued and taxed for agricultural or horticultural purposes.

(g) When in the opinion of the property valuation administrator any land on which an application has been filed, has a value in excess of that for agricultural or horticultural use the property valuation administrator shall enter into the tax records the value of the property according to its fair cash value. When the property valuation administrator determines that the land meets the requirements for valuation as agricultural or horticultural land, the valuation for tax purposes shall be its agricultural or horticultural value.

(h) When an application for valuation of property as agricultural or horticultural is denied, the property valuation administrator shall cause written notice to be served on the property owner in the manner provided by subsection (4) of this section. The property owner may appeal such ruling to the county board of assessment appeals as provided in KRS 133.120 or in the case of a city or special district to the appropriate appeals body for the city or district.

(3) Notwithstanding any statutory provisions to the contrary, the provisions of this section and KRS 132.454 shall apply to the assessment and taxation of agricultural or horticultural land for state, county, city or special district purposes. Any city may by ordinance establish additional tax procedures which will enable it effectively to administer the provisions of this section and KRS 132.454.

(4) If the property valuation administrator assesses any property, except stocks and bonds at the market value listed in recognized publications, at a greater value than that listed by the taxpayer or assesses unlisted property, the property valuation administrator shall serve notice on the taxpayer of such action. The notice shall be given by first-class mail or as provided in the Kentucky Rules of Civil Procedure.

(5) Any taxpayer may designate on the property schedule any property which he does not consider to be subject to taxation, and it shall be the duty of the property valuation administrator to obtain and follow advice from the department relative to the taxability of such property.

Section 3. KRS 133.040 is amended to read as follows:

(1) The property valuation administrator shall complete the tax roll of all property in his county before the first Monday in May of each year in accordance with law, and on or before that date he shall file with the department of revenue, on blanks to be forwarded by the department, a recapitulation of all property assessed on said tax roll with his official certificate attached thereto. Such recapitulation shall show the assessment of property by types of property and by taxing districts. The property valuation administrator shall file with the department of revenue at the same time the schedules containing a list of the intangible personal property. Within thirty (30) calendar days after receiving the recapitulation the department of revenue shall direct the property valuation administrator to make any changes that are necessary to correct the assessment. The department of revenue shall preserve all recapitulations and schedules or a photographic facsimile thereof for a period of seven (7) years from the assessment date.

(2) At the time the property valuation administrator submits his property recapitulations to the department he shall submit a copy of the recapitulations to the city clerk of each city in the county using the property valuation administrator's tax roll, the county judge/executive in each county, the treasurer or chief officer of each special district in the county, the chief administrative officer of the urban county and the superintendent of each local school district in his county.

Section 4. KRS 133.045 is amended to read as follows:

(1) The tax roll shall be open for inspection in the property valuation administrator's office for *twelve (12)* [five (5)] days beginning on the *fourth* [first] Monday in *May* [June] of each year *and shall be open for inspection for six (6) days each week one (1) of which shall be Saturday.* In case of necessity, the department of revenue may order a reasonable extension of time for the inspection period of the tax roll or it may order that the inspection period be at a different time than that provided herein.

(2) The property valuation administrator shall cause to be published once during the week before the beginning of inspection period, as provided in subsection (1) of this section, in a display type advertisement, the following information:

(a) The fact that the tax roll is open for public inspection;

(b) The dates of the inspection period;

(c) The times available for public review of the tax roll; and

(d) Instructions which provide details on the manner in which a taxpayer may file an appeal, if he is aggrieved by an assessment made by the property valuation administrator.

[The property valuation administrator shall publish pursuant to KRS chapter 424, a notice as to the time of the inspection period.] The cost of such notice shall be paid by the fiscal court of the county. Such notice shall also be posted at the courthouse door. Failure to publish or post notices when the inspection period is at the regular time as provided in this section shall not invalidate assessments made by the property valuation administrator and recorded on the tax roll prior to the inspection period.

(3)[(2)] The tax roll shall be available to the public at reasonable times, other than that provided in subsection (1), and in a manner not unduly interfering with proper operation of the custodian's office and so long as the inspection of the roll or disclosure of information contained therein would not be detrimental to public interest or used for commercial or business purposes unrelated to property valuation and assessment.

Section 5. KRS 133.120 is amended to read as follows:

(1) Any taxpayer aggrieved by an assessment made by the property valuation administrator may appeal to the board of assessment appeals. *The taxpayer shall appeal his assessment by filing in person or sending* [, however, no appeals shall be accepted by the board of assessment unless] a letter or other written petition stating the reasons for appeal, identifying the property for which the appeal is filed and stating the taxpayer's opinion of the fair cash value of the property *with or to* [, shall be filed with] the county clerk within the *twelve* [five]-day period in which the inspection period [is held]. The board of assessment appeals may review and change any assessment made by the property valuation administrator upon recommendation of the department of revenue, county judge/executive, mayor of any city using the county assessment or the superintendent of any school district in which the property is located, provided, such recommendation is made to the board in writing specifying the individual properties recommended for review. If the board of assessment appeals determines that any such assessment should be increased, then it shall give the taxpayer notice in the manner required by subsection (4) of KRS 132.450, specifying a date when the board will hear the taxpayer, if he so desires, in protest of such increase. Any property owner who has listed his property with the property valuation administrator at its fair cash value, likewise may ask the county board of assessment appeals to review the assessments of properties he believes to be assessed at less than fair cash value, providing, he specifies, in writing the individual properties for which the review is sought and factual information upon which his request is based; such as, comparable sales or cost data. Nothing in this section shall be construed as granting any property owner the right to request a blanket review of properties or the board the power to conduct such a review.

(2) The board of assessment appeals shall hold a public hearing for each individual taxpayer appeal in protest of the assessment by the property valuation administrator filed in accordance with the provisions of subsection (1) of this section, and after hearing all the evidence, shall fix the assessment of the property at its fair cash value. The board shall report to the property valuation administrator any property omitted from the tax roll. The property valuation administrator shall assess such property and immediately give notice to the taxpayer in the manner required by KRS 132.450(4), specifying a date when the board of assessment appeals will hear the taxpayer, if he so desires, in protest of the action of the property valuation administrator.

(3) The board of assessment appeals shall have power to issue subpoenas, compel the attendance of witnesses, and adopt rules and regulations concerning the conduct of its business. Any member of the board shall have power to administer oaths to any witness in proceedings before the board.

(4) The powers of the board of assessment appeals shall be limited to those specifically granted by this section.

(5) No appeal under this section shall delay the collection or payment of any taxes based upon the assessment in controversy. The taxpayer shall pay all state, county and district taxes due on the valuation which he claims as true value and stated in the petition of appeal filed in accordance with the provisions of subsection (1) of this section. When the valuation is finally determined upon appeal, the court or the Kentucky board of tax appeals shall certify the valuation to the county clerk and the taxpayer shall be billed for any additional tax and six percent (6%) interest from the date when the tax would have become due if no appeal had been taken. The provisions of KRS 134.390 shall apply to such tax bill.

(6) Any member of the county board of assessment appeals may be required to give evidence in support of the board's findings in any appeal from its actions to the Kentucky board of tax appeals.

(7) It shall be the duty of the county attorney to represent the interest of the state and county in all hearings before the board of assessment appeals and on all appeals prosecuted from its decision. In the event the county attorney is unable to represent the state and county, he or the fiscal court shall arrange for substitute representation.

Section 6. KRS 133.125 is amended to read as follows:

(1) The county clerk, or an authorized deputy, shall act as clerk of the board of assessment appeals; and where additional board panels are appointed, as provided by law, one (1) authorized deputy shall act as clerk for each panel. An accurate record of the proceedings and orders of the board and of each of its authorized panels shall be kept and shall show the name of the owner of the property, the description, the type of property, the amount of the assessment the property valuation administrator placed on the property, and the amount of change made in the assessment by the board. A copy certified by the chairman of the board and attested by the county clerk shall be filed by the clerk with the property valuation administrator and with the department of revenue within five (5) days after the adjournment of the board.

(2) After receipt of the clerk's certification of the action of the board of assessment appeals, the property valuation administrator shall complete his rolls by adding to them all listings and assessments which he may have made after the rolls were open for inspection as provided in KRS 133.045 and making all adjustments ordered by the board, and he shall turn the rolls over to the clerk within ten (10) days after the board

adjourns. Whereupon the clerk shall make a recapitulation of the assessment by taxing districts and types of property and shall submit such recapitulation to the department of revenue not later than June 20 unless the time is extended by the department.

(3) The county clerk shall certify to the county judge/executive the number of days during which the board was in session, and the court shall enter this fact of record along with the amount due the board members for their services. On a presentation of a copy of the order, the executive department for finance and administration shall draw a warrant on the state treasurer in favor of the board members and clerk for the amount due for their services.

(4) The county clerk and any authorized deputies serving as clerk of the board or a panel thereof shall be allowed the same compensation per day for their services as is allowed to members of the board of their county, and they shall be paid in the same manner as members of the board are paid. The county clerk and his authorized deputies shall be allowed compensation for completing and filing the record of the board and for preparing the recapitulation in the same manner as allowed for their services while acting as clerk of the board or clerk of a panel of the board.

(5) The county clerk shall not permit property valuation assessments listed on the property tax roll to be amended after the recapitulation is submitted to the department of revenue.

Section 7. KRS 160.470 is amended to read as follows:

(1) Each district board of education shall prepare a general school budget on forms prescribed and furnished by the state board of education, showing the amount of money needed for current expenses, debt service, capital outlay, and other necessary expenses of the schools during the succeeding fiscal year, the estimated total amount that will be received from the common school fund and other sources, the assessed valuation of property subject to local taxation in the school district furnished as provided in subsection (3) of KRS 160.460, an estimate made by the department of revenue of public service company assessments and assessments of other property in the school district not furnished under the provisions of subsection (3) of KRS 160.460, and the amount that will be needed to be raised by local taxation, including the rate of levy necessary to raise such an amount.

(2) Notwithstanding any statutory provisions to the contrary, no district board of education shall levy a general tax rate, voted general tax rate, or voted building tax rate for 1979-80 which will produce more revenue, exclusive of revenue from net assessment growth as defined in KRS 132.010, than would be produced by application of the maximum general tax rate, voted general tax rate, or voted building tax rate, respectively, that could have been levied in 1978-79, to the 1978-79 assessment, except as provided in KRS 157.565. In succeeding years, no district board of education shall levy a general tax rate, a voted general tax rate, or a voted building tax rate which will produce more revenue, exclusive of revenue from net assessment growth as defined in KRS 132.010, than would be produced by application of the general tax rate, maximum voted general tax rate, or maximum voted building tax rate, respectively, that could have been levied in the preceding year to the preceding year's assessment, except as provided in KRS 157.565. In the event of a merger of school districts, the limitations contained in this section shall be based upon the combined revenue of the merging districts, as computed under the provisions of this section.

(3) No district board of education shall levy a general tax rate, voted general tax rate, or voted building tax rate within the limits imposed in subsection (2) of this section which respectively exceeds the compensating tax rate defined in KRS 132.010, except as provided in KRS 157.565, until the district board of education has complied with the provisions of subsection (10) of this section.

(4) The superintendent of public instruction shall certify to each district board of education, by June 30 of each year, the following:

(a) The general tax rate, voted general tax rate, or voted building tax rate that a district board of education could levy under the provisions of subsection (2) of this section, and the amount of revenue expected to be produced by each;

(b) The compensating tax rate as defined in KRS 132.010 for a district's general tax rate, voted general tax rate, or voted building tax rate, and the amount of revenue expected to be produced by each;

(c) The general tax rate, voted general tax rate, or voted building tax rate which will produce, respectively, no more revenue from real property, exclusive of revenue from new property, than four percent (4%) over the amount of revenue produced by the compensating tax rate defined in KRS 132.010 from real property, and the amount of revenue expected to be produced by each.

(5) *Upon completion of action on property assessment data the department of revenue shall submit to the superintendent of public instruction, certified property assessment data as required in KRS 133.125.* [The net assessment growth and new property determined in accordance with KRS 132.010 and 132.015 shall be certified to the superintendent of public instruction by the department of revenue by June 15 of each year.]

(6) Within thirty (30) days after the district board of education has received its assessment data, three (3) copies of the budget shall be forwarded to the state board of education for its approval or disapproval. The failure of the district board of education to furnish the budget within the time prescribed shall not invalidate any levy made thereafter.

(7) The budget shall be disapproved by the state board of education if it is financially unsound or fails to provide for:

(a) Payment of maturing principal of and interest on any outstanding voted school improvement bonds of the school district authorized and issued pursuant to KRS 162.080 and 162.090, with the written approval of the state board of education, or

(b) Payment of rentals in connection with any outstanding school building revenue bonds issued for the benefit of the independent school district or county school district, as the case may be, by the appropriate city or county as authorized and provided under the provisions of KRS 162.120 to 162.300 and KRS 58.010 to 58.140, with the written approval of the state board of education, or fails to comply with the law; and the state board of education shall state its reason, or reasons, for such disapproval.

In such event the district board of education shall amend its budget, within the limitations of this section, to obviate the reasons for disapproval and resubmit the budget to the state board of education for its final approval.

(8) If the budget as amended specifies a tax levy different from that levied under the disapproved budget, the tax-levying authority shall amend its levy in accordance therewith, so that the levy as amended shall comply with the provisions of subsection (1) of KRS 160.460. No general school budget shall become effective and no ad valorem levy shall be made until approved by the state board of education.

(9) Each district board of education shall, if required by the state board of education, prepare and submit to it not later than September 15, a close estimate or working budget which shall conform to the rules and regulations prescribed by the state board of education, and which shall be consistent in its major divisions with the general school budget previously prepared.

(10) (a) A district board of education proposing to levy a general tax rate, voted general tax rate, or voted building tax rate within the limits of subsection (2) of this section which exceed the compensating tax rate defined in KRS 132.010, shall hold a public hearing to hear comments from the public regarding the proposed tax rate. The hearing shall be held in the principal office of the taxing district, or, in the event the taxing district has no office, or the office is not suitable for such a hearing, the hearing shall be held in a suitable facility as near as possible to the geographic center of the district.

(b) The district board of education shall advertise the hearing by causing to be published at least twice in two (2) consecutive weeks, in the newspaper of largest circulation in the county, a display type advertisement of not less than twelve (12) column inches, the following:

1. The general tax rate, voted general tax rate, and voted building tax rate levied in the preceding year, and the revenue produced by those rates;

2. The general tax rate, voted general tax rate, and voted building tax rate proposed for the current year and the revenue expected to be produced by those rates;

3. The compensating general, voted general, and voted building tax rates and the revenue expected from them;

4. The revenue expected from new property and personal property;

5. The general areas to which revenue in excess of the revenue produced in the preceding year is to be allocated;

6. A time and place for the public hearing which shall be held not less than seven (7) days nor more than ten (10) days after the day that the second advertisement is published;

7. The purpose of the hearing; and

8. A statement to the effect that the general assembly has required publication of the advertisement and the information contained herein.

(c) In lieu of the two (2) published notices, a single notice containing the required information may be sent by first-class mail to each person owning real property, addressed to the property owner at his residence or principal place of business as shown on the current year property tax roll.

(d) The hearing shall be open to the public. All persons desiring to be heard shall be given an opportunity to present oral testimony. The district board of education may set reasonable time limits for such testimony.

(11)(a) That portion of a general tax rate, a voted general tax rate, or a voted building tax rate, except as provided in KRS 157.565, levied by an action of a district board of education which will produce, respectively, revenue from real property, exclusive of revenue from new property, more than four percent (4%) over the amount of revenue produced by the compensating tax rate defined in KRS 132.010 from real property, shall be subject to a recall vote or reconsideration by the district board of education, such as the case may be, as provided for in KRS 132.017, and shall be advertised as provided for in paragraph (b) of this subsection.

(b) The district board of education shall, within seven (7) days following adoption of an ordinance, order, resolution, or motion to levy a general tax rate, voted general tax rate, or voted building tax rate, except as provided in KRS 157.565, which will produce revenue from real property, exclusive of revenue from new property as defined in KRS 132.010, more than four percent (4%) over the amount of revenue produced by the compensating tax rate defined in KRS 132.010 from real property, cause to be published, in the newspaper of largest circulation in the county, a display type advertisement of not less than twelve (12) column inches the following:

1. The fact that the district board of education has adopted such a rate;
2. The fact that the part of the rate which will produce revenue from real property, exclusive of new property as defined in KRS 132.010, in excess of four percent (4%) over the amount of revenue produced by the compensating tax rate defined in KRS 132.010 from real property is subject to recall; and
3. The name, address and telephone number of the county clerk of the county or urban-county in which the school district is located, with a notation to the effect that that official can provide the necessary information about the petition required to initiate recall of the tax rate.

Section 8. KRS 68.245 is amended to read as follows:

(1) Notwithstanding any statutory provisions to the contrary, no county fiscal court shall levy a tax rate, excluding any special tax rate which may be levied at the request of a county community improvement district pursuant to KRS 107.350 and 107.360, following a favorable vote upon such tax by the voters of any such county, which will produce more revenue, exclusive of revenue from net assessment growth as defined in KRS 132.010, than would be produced from application of the preceding year's tax rate to the preceding year's assessment. The property valuation administrator shall submit an official estimate of *real and personal property and new property assessment as defined in* [net assessment growth, as determined in accordance with] KRS 132.010, to the county judge/executive by April 1 of each year.

(2) No county fiscal court shall levy a tax rate, excluding any special tax rate which may be levied at the request of a county community improvement district pursuant to KRS 107.350 and 107.360, following a favorable vote upon such tax by the voters of any such county, within the limits imposed in subsection (1) of this section which exceeds the compensating tax rate defined in KRS 132.010, until the taxing district has complied with the provisions of subsection (5) of this section. [The property valuation administrator shall submit an official estimate of new property and personal property, as determined in accordance with KRS 132.010, to the county judge/executive by April 1 of each year.]

(3) The state local finance officer shall certify to each county budget commission, by June 30 of each year, the following:

(a) The tax rate that a fiscal court could levy under the provisions of subsection (1) of this section, and the amount of revenue expected to be produced by it;

(b) The compensating tax rate, as defined in KRS 132.010, and the amount of revenue expected to be produced by it;

(c) The tax rate which will produce no more revenue from real property, exclusive of revenue from new property, than four percent (4%) over the amount of revenue produced by the compensating tax rate defined in KRS 132.010 from real property, and the amount of revenue expected to be produced by it.

(4) *Real and personal property assessment and* [The net assessment growth,] new property [and personal property] determined in accordance with KRS 132.010 [and 132.015] shall be certified to the state local finance officer by the department of revenue *upon completion of action on property assessment data* [by June 15 of each year].

(5) (a) A county fiscal court, proposing to levy a tax rate, excluding any special tax rate which may be levied at the request of a county community improvement district pursuant to KRS 107.350 and 107.360, following a favorable vote upon such tax by the voters of any such county, within the limits of subsection (1) of this section which exceeds the compensating tax rate defined in KRS 132.010, shall hold a public hearing to hear comments from the public regarding the proposed tax rate. The hearing shall be held in the principal office of the taxing district, or, in the event the taxing district has no office, or the office is not suitable for such a hearing, the hearing shall be held in a suitable facility as near as possible to the geographic center of the district.

(b) County fiscal courts of counties containing a city of the first class proposing to levy a tax rate, excluding any special tax rate which may be levied at the request of a county community improvement district pursuant to KRS 107.350 and 107.360, following a favorable vote upon such tax by the voters of any such county, within the limits of subsection (1) of this section which exceeds the compensating tax rate defined in KRS 132.010, shall hold three (3) public hearings to hear comments from the public regarding the proposed tax rate. The hearings shall be held in three (3) separate locations; each location shall be determined by dividing the county into three (3) approximately equal geographic areas, and identifying a suitable facility as near as possible to the geographic center of each area.

(c) The county fiscal court shall advertise the hearing by causing to be published at least twice in two (2) consecutive weeks, in the newspaper of largest circulation in the county, a display type advertisement of not less than twelve (12) column inches, the following:

1. The tax rate levied in the preceding year, and the revenue produced by that rate;
2. The tax rate proposed for the current year and the revenue expected to be produced by that rate;
3. The compensating tax rate and the revenue expected from it;

4. The revenue expected from new property and personal property;

5. The general areas to which revenue in excess of the revenue produced in the preceding year is to be allocated;

6. A time and place for the public hearings which shall be held not less than seven (7) days nor more than ten (10) days, after the day that the second advertisement is published;

7. The purpose of the hearing; and

8. A statement to the effect that the general assembly has required publication of the advertisement and the information contained therein.

(d) In lieu of the two (2) published notices, a single notice containing the required information may be sent by first-class mail to each person owning real property, addressed to the property owner at his residence or principal place of business as shown on the current year property tax roll.

(e) The hearing shall be open to the public. All persons desiring to be heard shall be given an opportunity to present oral testimony. The county fiscal court may set reasonable time limits for such testimony.

(6) (a) That portion of a tax rate, excluding any special tax rate which may be levied at the request of a county community improvement district pursuant to KRS 107.350 and 107.360, following a favorable vote upon such tax by the voters of any such county, levied by an action of a county fiscal court which will produce revenue from real property, exclusive of revenue from new property, more than four percent (4%) over the amount of revenue produced by the compensating tax rate defined in KRS 132.010 from real property shall be subject to a recall vote or reconsideration by the taxing district, such as the case may be, as provided for in KRS 132.017, and shall be advertised as provided for in paragraph (b) of this subsection.

(b) The county fiscal court shall, within seven (7) days following adoption of an ordinance, order, resolution, or motion to levy a tax rate, excluding any special tax rate which may be levied at the request of a county community improvement district pursuant to KRS 107.350 and 107.360, following a favorable vote upon such tax by the voters of any such county, which will produce revenue from real property, exclusive of revenue from new property as defined in KRS 132.010, more than four percent (4%) over the amount of revenue produced by the compensating tax rate defined in KRS 132.010 from real property, cause to be published, in the newspaper of largest circulation in the county, a display type advertisement of not less than twelve (12) column inches the following:

1. The fact that the county fiscal court has adopted such a rate;

2. The fact that the part of the rate which will produce revenue from real property, exclusive of new property as defined in KRS 132.010, in excess of four percent (4%) over the amount of revenue produced by the compensating tax rate defined in KRS 132.010 from real property is subject to recall; and

3. The name, address and telephone number of the county clerk, with a notation to the effect that that official can provide the necessary information about the petition required to initiate recall of the tax rate.

Section 9. KRS 133.250 is amended to read as follows:

(1) The department of revenue shall conduct sales-assessment ratio studies for each county and shall submit such a ratio to each property valuation administrator by September 1 of each year or within thirty (30) days of submission of the property valuation administrator's final recapitulation to the department as provided for in KRS 133.125, whichever date is earlier.

(2) The property valuation administrator shall begin revaluation of property in his county, in preparation for the following year's property assessment, immediately following submission of the final recapitulation to the department of revenue as provided for in KRS 133.125.

(3) By January 30 of each year, the department of revenue shall cause to be published in the newspaper of largest circulation in each county, a listing of the *percentage of fair cash value attainment* [level of assessment for every county for the prior tax year] of real property *assessments* [expressed as a percentage of fair cash value,] as calculated by sales-assessment ratio studies which shall be conducted by the department of revenue.

On the roll call the vote was yeas 65-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Cawood, Clarke, Craddock, Crupper, Curd, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Layman, LeMaster, List, Mann, McBee, McNutt, Moberly, Noe, O'Brien, Petty, Rapier, Rattliff, Richards, P. Richardson, Riner, Schmidt, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates
Nays 4-Allen, Lewis, Overstreet, Stumbo.

Senate Committee Substitute to **HB 146** was adopted.

Representative Clarke moved the adoption of the following Senate Amendment No. 1 to the Senate Committee Substitute to **HB 146:**

Amend printed copy of Senate Committee Substitute for **HB 146** on page 11, line 23, by inserting after the word "roll" the following: "*being prepared by the property valuation administrator for the current year,*" and

on page 13, by deleting the lines 5 through 12 in their entirety, and

on page 33, after line 23, by inserting the following:

"SECTION 10. A NEW SECTION OF KRS CHAPTER 133 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding the provisions of KRS 61.870 through KRS 61.884, when the department of revenue has completed action on the assessment of property in any county and has certified the assessment to the county clerk of that county, as provided for in KRS 133.180, the property tax roll or a copy of the property tax roll, shall be retained in the office of the property valuation administrator for maintenance as an open public record for five (5) years. Such property tax roll shall be available for public inspection during the regular working hours of the office of the property valuation administrative as provided for in KRS 132.410(2).

(2) Any person inspecting a property tax roll shall do so in a manner not unduly interfering with the proper operation of the custodian's office and said person shall not use information obtained from the property tax roll(s) for commercial or business purposes unrelated to property valuation and assessment."

On the roll call the vote was yeas 66-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Burch, Burnette, Caldwell, Cawood, Craddock, Crupper, Curd, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, Layman, LeMaster, List, Mann, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Rapier, Rattliff, Richards, P. Richardson, Riner, Romines, Schmidt, Smith, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 1-Lewis.

Senate Amendment No. 1 to the Senate Committee Substitute to **HB 146** was adopted.

Representative Clarke moved that the House concur in the following Senate Amendment No. 2 to the Senate Committee Substitute to **HB 146:**

Amend printed copy of Senate Committee Substitute for **HB 146** on page 11, by deleting all the words on line 15; and

on line 16, delete the words "*valuation administrator's tax roll, the*".

On the roll call the vote was yeas 70-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Mann, McBee, McNutt, Moberly, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Rattliff, Richards, P. Richardson, Romines, Schmidt, Smith, Stumbo, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 0.

Senate Amendment No. 2 to the Senate Committee Substitute to **HB 146** was adopted.

Representative Clarke moved that **HB 146,** as amended by the Senate, be passed.

On the roll call the vote was yeas 68-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Mann, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Schmidt, Smith, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 5-Allen, Layman, Lewis, Riner, Tobin.

HB 146, by way of Senate Committee Substitute as amended, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 146,** by way of Senate Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 161, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Clarke moved that the House concur in the Senate Amendment No. 1 to **HB 161.**

Amend printed copy of **HB 161** on page 41, after line 20, by adding the following:

"SECTION 11. A NEW SECTION OF KRS CHAPTER 132 IS CREATED TO READ AS FOLLOWS:

Subject to the provisions of KRS 132.027, a city or urban-county government may levy a rate on business inventories equal to or less than the prevailing rate of taxation on other tangible personal property in the respective city or urban-county government.

SECTION 12. A NEW SECTION OF KRS CHAPTER 68 IS CREATED TO READ AS FOLLOWS:

"*Subject to the provisions of KRS 68.245, a county fiscal court may levy a rate on business inventories equal to or less than the prevailing rate of taxation on other tangible personal property in the respective county.*

On the roll call the vote was yeas 48-Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, DeMarcus, Donnermeyer, Dunn, Foster, Gray, Guenthner, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Mann, McBee, McNutt, Moberly, Noe, O'Brien, Petty, Rapier, Rattliff, P. Richardson, Schmidt, Smith, Stone, Thomas, Thomason, Wilborn, Worthington. Nays 19-Adams, Blair, Dawahare, Deskins, Farrow, Freibert, Fryman, Haering, Hancock, Lewis, List, Overstreet, Patrick, Riner, Stumbo, Turner, Van Horn, Weinberg, Wright.

Senate Amendment No. 1 to **HB 161** was adopted.

Representative Clarke moved that **HB 161,** as amended by the Senate, be passed.

On the roll call the vote was yeas 48-Arnold, Barrows, Bendl, Bennett, Boswell, Brinkley, Bronger, Bruce, Burch, Cawood, Clark, Crupper, Curd, DeMarcus, Donnermeyer, Ellington, Foster, Freibert, Guenthner, Hancock, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Maynard, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Petty, Plummer, Rapier, Richards, P. Richardson, Romines, Schmidt, Smith, Stone, Stumbo, Thomason, Wilborn, Worthington, Yates. Nays 15-Adams, Allen, Blair, Caldwell, Dawahare, DeFalaise, Farrow, Gray, Haering, List, Patrick, Riner, Turner, Van Horn, Wright.

HB 161, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 161,** as amended by the Senate was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 206, with Senate Amendments attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Bruce moved that the House concur in the following Senate Amendment No. 1 to **HB 206.**

Amend printed copy of **HB 206** on page 7, after line 25, insert the following:

"Section 2. KRS 190.110 is amended to read as follows:
(1) The finance charge in a retail instalment sale shall not exceed the following rates:
Class 1. Any new or used motor vehicle designated by the manufacturer by a year model not earlier than the year in which the sale is made — *eleven* [nine] dollars *($11.00)* [($9.00)] per one hundred dollars ($100).

Class 2. Any new motor vehicle not in class 1 and any used motor vehicle designated by the manufacturer by a year model of one (1) or two (2) years prior to the year in which the sale is made — thirteen dollars ($13.00) per one hundred dollars ($100).

Class 3. All other motor vehicles not in class 1 or 2 — fifteen dollars ($15.00) per one hundred dollars ($100).

(2) Such finance charge shall be computed on the principal balance as determined under KRS 190.100 (2) on contracts payable in successive monthly payments substantially equal in amount extending for a period of one (1) year. On contracts providing for instalment payments extending for a period less than or greater than one (1) year, the finance charge shall be computed proportionately.

(3) When a retail instalment contract provides for unequal or irregular instalment payments, the finance charge shall be at the effective rate provided in subsection (1) hereof, having due regard for the schedule of payment."

On the roll call the vote was yeas 40-Bennett, Blythe, Boswell, Brinkley, Bronger, Bruce, Caldwell, Clark, Craddock, Crupper, Curd, Deskins, Donnermeyer, Dunn, Ellington, Foster, Gray, Guenthner, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Lewis, Little, McBee, McNutt, Morris, Nett, Noe, Petty, Rapier, Richards, P. Richardson, Smith, Stumbo, Thomason, Yates. Nays 23-Adams, Allen, Barrows, Blair, Brown, Burnette, Cawood, Clarke, Farrow, Haering, Head, Moberly, Overstreet, Rattliff, Riner, Romines, Thomas, Tobin, Turner, Van Horn, Wilborn, Worthington, Wright.

Senate Amendment No. 1 to **HB 206** was adopted.

Representative Bruce moved that **HB 206,** as amended by the Senate be passed.

On the roll call the vote was yeas 44-Arnold, Bendl, Bennett, Blythe, Boswell, Brinkley, Bronger, Bruce, Clark, Craddock, Curd, DeFalaise, DeMarcus, Donnermeyer, Dunn, Foster, Gray, Guenthner, Hancock, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Little, Maynard, McBee, McNutt, Morris, Nett, Noe, Petty, Rapier, Richards, P. Richardson, Schmidt, Stone, Thomason, Turner, Van Horn, Yates. Nays 32-Adams, Allen, Blair, Brown, Burch, Burnette, Caldwell, Cawood, Clarke, Crupper, Ellington, Farrow, Freibert, Fryman, Haering, Head, Layman, Lewis, List, Mann, Moberly, Overstreet, Patrick, Plummer, Rattliff, Riner, Stumbo, Thomas, Tobin, Wilborn, Worthington, Wright.

HB 206, as amended by the Senate, was passed.

Representative Bruce moved that the House concur in the Senate Title Amendment No. 2 to **HB 206.**

Amend printed copy of **HB 206** on page 1, on the Title page, by deleting the words "vehicle registration" and inserting in lieu thereof the word "vehicles".

The Senate Title Amendment to **HB 206** was adopted by voice vote.

Representative Bruce moved that the vote by which **HB 206,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 235, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Noe moved that the House concur in the following Senate Amendment No. 1 to **HB 235.**

Amend printed copy of **HB 235** on page 5, line 3, following "system" insert "*or employee or former employee*".

On the roll call the vote was yeas 70-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, McBee, Moberly, Noe, O'Brien, Overstreet, Patrick, Petty, Rapier, Rattliff, Richards, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 0.

Senate Amendment No. 1 to **HB 235** was adopted.

Representative Noe moved that **HB 235,** as amended by the Senate, be passed.

On the roll call the vote was yeas 73-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Rapier, Rattliff, Richards, P. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 0.

HB 235, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 235,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 283, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Clarke moved that the House concur in the following Senate Amendment to **HB 283.**

Amend printed copy of **HB 283** on page 1, by deleting lines 9 through 17 in their entirety and by inserting in lieu thereof the following:

"*(2) Agricultural or horticultural land which comprises a portion of the assets of a corporation, and stock in which is wholly owned by qualified persons, the balance of the assets of said corporation being personal property entirely related to the use of agricultural or horticultural land, may be assessed at its agricultural or horticultural value in a decedent's estate for Kentucky inheritance tax purposes for the agricultural or horticultural rate for qualified real estate and if the stock in said corporation passes to a qualified person or persons.*

and on page 2, line 4, by removing all brackets.

On the roll call the vote was yeas 72-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Layman, Lewis, List, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Rapier, Richards, P. Richardson, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 0.

Senate Amendment to **HB 283** was adopted.

Representative Clarke moved that **HB 283,** as amended, be passed.

On the roll call the vote was yeas 3-Brown, Gray, Worthington. Nays 75-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, Morris, Nett, O'Brien, Overstreet, Patrick, Petty, Rapier, Richards, P. Richardson, Riner, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Wright, Yates.

HB 283, as amended, was defeated.

HB 299, with Senate Amendments attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Bendl moved that the House concur in the following Senate Amendment No. 1 to **HB 299.**

Amend printed copy of **HB 299** on page 12, line 1, by deleting the word "*may*" and remove the brackets from around the word "shall";

and on page 12, line 9, delete the bracket in from of the word "In";

and on page 12, line 12, delete the bracket after the word "rates,";

and on page 12, line 10, delete the word "impossible" and insert in lieu thereof the word "*uneconomical*".

On the roll call the vote was yeas 55-Adams, Arnold, Barrows, Bendl, Bennett, Blythe, Boswell, Bronger, Brown, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Davenport, Dawahare, Donnermeyer, Dunn, Foster, Freibert, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, Maynard, McBee, McNutt, Moberly, Nett, O'Brien, Overstreet, Petty, Rapier, Richards, P. Richardson, Romines, Schmidt, Smith, Stone, Thomason, Van Horn, Weinberg, Wilborn, Yates. Nays 18-Allen, Blair, Brinkley, Burnette, DeMarcus, Farrow, Fryman, Gray, Guenthner, Haering, Layman, Mann, Patrick, Plummer, Riner, Thomas, Turner, Worthington.

Senate Amendment No. 1 to **HB 299** was adopted.

Representative Bendl moved that **HB 299,** as amended by the Senate, be passed.

On the roll call the vote was yeas 61-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Foster, Freibert, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, Mann, Maynard, McBee, McKinney, Moberly, Morris, Nett, O'Brien, Overstreet, Petty, Rapier, Richards, P. Richardson, Romines, Smith, Stone, Thomas, Thomason, Van Horn, Weinberg, Wilborn, Yates. Nays 13-Allen, Blair, Burnette, Farrow, Gray, Guenthner, Haering, Patrick, Plummer, Riner, Turner, Worthington, Wright.

HB 299, as amended by the Senate, was passed.

Representative Bendl moved that the House concur in the following Senate Title Amendment No. 2 to **HB 299.**

Amend printed copy of **HB 299** on page 1, Title line, by deleting the words ", and making an appropriation therefor".

Senate Title Amendment No. 2 was adopted.

Representative Donnermeyer moved that the vote by which **HB 299,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 319, with Senate Amendments attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Yates moved that the House concur in the following Senate Amendment No. 2 to **HB 319.**

Amend printed copy of **HB 319** on page 1, line 18, after "*(2)*" by inserting the following: "*In counties containing cities of the first class*".

On the roll call the vote was yeas 51-Arnold, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Clark, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Isler, Johnson, Kidd, Lewis, Little, Mann, Maynard, McBee, Morris, Nett, O'Brien, Petty, Rapier, Rattliff, Richards, Romines, Stone, Thomason, Van Horn, Weinberg, Wright, Yates. Nays 13-Allen, Burnette, Clarke, Craddock, Jones, LeMaster, List, McKinney, McNutt, Overstreet, Patrick, Plummer, Turner.

Senate Amendment No. 2 to **HB 319** was adopted.

Representative Yates moved that the House concur in the following Senate Amendment No. 1 to **HB 319.**

Amend printed copy of **HB 319** on page 1, line 20, by deleting the words "*fixed period of time*", and by inserting "*period of two (2) years,*" in lieu thereof.

On the roll call the vote was yeas 52-Adams, Arnold, Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Cawood, Clark, Crupper, Curd, Davenport, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Isler, Johnson, Kidd, Lewis, Little, Mann, Morris, Nett, Noe, O'Brien, Petty, Rapier, Rattliff, Richards, Romines, Smith, Stone, Thomason, Van Horn, Weinberg, Worthington, Wright, Yates. Nays 20-Allen, Blair, Caldwell, Clarke, DeFalaise, Ellington, Holbrook, Jones, Layman, LeMaster, List, Lundergan, McBee, McKinney, Moberly, Overstreet, Patrick, Plummer, Riner, Turner.

Senate Amendment No. 1 to **HB 319** was adopted.

Representative Yates moved that **HB 319**, as amended by the Senate, be passed.

On the roll call the vote was yeas 54-Adams, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clark, Crupper, Curd, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Isler, Johnson, Kidd, Little, Lundergan, Mann, May, Maynard, McKinney, Morris, Nett, Noe, O'Brien, Petty, Rapier, Rattliff, Richards, Romines, Smith, Stone, Thomason, Van Horn, Weinberg, Worthington, Wright, Yates. Nays 22-Allen, Barrows, Caldwell, Clarke, Davenport, Dawahare, DeFalaise, Farrow, Fryman, Holbrook, Jones, LeMaster, Lewis, List, McBee, Moberly, Overstreet, Patrick, Plummer, Riner, Thomas, Wilborn.

HB 319, as amended by the Senate, was passed and the Title agreed to.

Representative Donnermeyer moved that the vote by which **HB 319**, as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Speaker Kenton presiding.

HB 344, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Boswell moved that the House refused to concur in the following Senate Amendment No. 1 to **HB 344:**

Amend printed copy of **HB 344** on page 2, line 9, after the word "of" by deleting "*one hundred (100)*" and inserting in lieu thereof the words "*two hundred fifty (250)*"; and after the word "*persons*" by inserting the words "*or 2,400 square feet of total floor space.*".

On the roll call the vote was yeas 62-Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bruce, Burch, Caldwell, Clark, Clarke, Crupper, Curd, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Farrow, Foster, Gray, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, Romines, Smith, Stone, Thomas, Thomason, Wilborn, Worthington, Wright, Yates. Nays 17-Allen, Blythe, Bronger, Cawood, DeMarcus, Freibert, Fryman, Guenthner, Haering, Hancock, Kidd, P. Richardson, Riner, Schmidt, Turner, Van Horn, Weinberg.

The motion that the House refuse to concur in Senate Amendment No. 1 to **HB 344** was adopted.

HB 376, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Van Horn moved that the House concur in the following Senate Amendment to **HB 376.**

Amend printed copy of **HB 376** on page 1, line 4, by deleting "*ten percent (10%)*" and the brackets around "eight percent (8%)" and by inserting before "eight percent (8%)" the words "*not less than*", and by inserting after "eight percent (8%)" the words "*nor more than ten percent (10%)*";

and on page 1, line 4, by inserting after the word "salary" and before the period: "*, to be determined by the legislative body of the urban county government*";

and on page 3, line 9, by inserting after the word "by": "*not less than two percent (2%) nor more than*";

and on page 3, line 11, by inserting after the word "be": "determined and".

On the roll call the vote was yeas 66-Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Rapier, Richards, P. Richardson, Riner, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 4-Allen, Guenthner, Patrick, Plummer.

Senate Amendment to **HB 376** was adopted.

Representative Van Horn moved that **HB 376,** as amended by the Senate, be passed.

On the roll call the vote was yeas 71-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, Mann, May, Maynard, McBee, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Worthington, Wright, Yates. Nays 3-Allen, Patrick, Plummer.

HB 376, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 376,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 392, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Burch moved that the House concur in the following Senate Amendment No. 1 to **HB 392.**

Amend printed copy of **HB 392** on page 2, after line 7, by adding the following:

"(3) An instrument, apparatus, equipment or device described in paragraph (a) of this subsection shall not include any instrument, apparatus, equipment or device authorized or approved or otherwise permitted by an agency of the federal government or the Commonwealth of Kentucky."

and by renumbering current number (3) as (4).

On the roll call the vote was yeas 69-Adams, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Lewis, Little, Mann, May, Maynard, McBee, McNutt, Morris, Nett, Noe, O'Brien, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Worthington, Wright, Yates. Nays 4-Allen, Moberly, Patrick, Plummer.

Senate Amendment No. 1 to **HB 392** was adopted.

Representative Burch moved that **HB 392,** as amended by the Senate, be passed.

On the roll call the vote was yeas 67-Adams, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, Lewis, Little, May, Maynard, McBee, Morris, Nett, O'Brien, Overstreet, Patrick, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, Worthington, Wright, Yates. Nays 10-Allen, Barrows, Clarke, Davenport, Mann, Moberly, Noe, Plummer, Thomas, Wilborn.

HB 392, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 392,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 450, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Bendl moved that the House concur in the following Senate Amendment No. 1 to **HB 450.**

Amend printed copy of **HB 450** on page 1, line 6, by inserting "*two (2)*" after the word "designate".

On the roll call the vote was yeas 66-Adams, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Burnette, Cawood, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, List, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Rapier, Rattliff, B. Richardson, Riner, Romines, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 8-Allen, Caldwell, DeMarcus, Fryman, Guenthner, Lewis, Patrick, Plummer.

Senate Amendment No. 1 to **HB 450** was adopted.

Representative Bendl moved that **HB 450,** as amended by the Senate, be passed.

On the roll call the vote was yeas 70-Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Worthington, Wright, Yates. Nays 7-Allen, DeMarcus, Fryman, Guenthner, Lewis, Patrick, Plummer.

HB 450, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 450,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 462, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative B. Richardson moved that the House refuse to concur in the following Senate Amendment No. 2 to **HB 462.**

Amend printed copy of **HB 462** on page 5, after line 23, by adding: "*(15) Any activity designed for the preservation of residential neighborhoods, provided that such activity receives approval of the Kentucky Heritage Commission and insures the preservation of not fewer than thirty (30) family units.*"

On the roll call the vote was yeas 65-Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, O'Brien, Overstreet, Patrick, Petty, Rapier, Rattliff, Richards, B. Richardson, P.

Richardson, Riner, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Weinberg, Worthington, Wright, Yates. Nays 11-Allen, Fryman, Gray, Holbrook, LeMaster, List, Plummer, Romines, Turner, Van Horn, Wilborn.

The motion that the House refuse to concur in Senate Amendment No. 2 to **HB 462** was adopted.

Representative B. Richardson moved that the House refuse to concur in the following Senate Amendment No. 4 to **HB 462.**

Amend printed copy of **HB 462** on page 11, line 24, by deleting the period after the word "domain" and by adding the words "except as provided by KRS 103.245."

On the roll call the vote was yeas 52-Adams, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Foster, Gray, Guenthner, Head, Heleringer, Hines, Isler, Jones, Kidd, Lewis, Lundergan, May, Maynard, McBee, McKinney, Nett, O'Brien, Overstreet, Petty, Rapier, Richards, B. Richardson, P. Richardson, Riner, Smith, Stone, Turner, Worthington, Wright, Yates. Nays 15-Allen, Clarke, Farrow, Freibert, Holbrook, Layman, List, Mann, Patrick, Plummer, Romines, Schmidt, Tobin, Van Horn, Wilborn.

The motion that the House refuse to concur in the Senate Amendment No. 4 to **HB 462** was adopted.

Representative B. Richardson moved that the rules be suspended to vote on Senate Amendments No. 8, No. 9, and No. 11 to **HB 462** as one. Agreed.

Representative B. Richardson moved that the House refuse to concur in the following Senate Amendments No. 8, No. 9, and No. 11 to **HB 462.**

Amend printed copy of **HB 462** on page 3, line 25, by deleting the words "*or residential*", and by adding "*or*" before the word "*commercial*", and by deleting the comma "," after "*industrial*";

and on page 4, by deleting lines 11 through 14;

and on page 11, line 24, following the word "domain" by adding the words "except as provided by KRS 103.245";

and on page 12, line 3, by deleting "*any building, struc-*";

and on page 12, lines 4 through 17, by deleting those lines in their entirety;

and on page 12, line 18, by deleting "*rolling stock used outside of an industrial building),*" and inserting in lieu thereof "*coal conversion facilities, hospitals, primary medical centers, health care clinics, convention centers, or any industrial building as defined in KRS 103.200 which is to be located in a blighted area as defined in KRS 99.010(1)(a),*";

and on page 12, line 22, after "*acquired.*" by deleting the remainder thereof;

and on page 12, lines 23 through 26, by deleting those lines in their entirety;

and on page 13, lines 1 through 8, by deleting those lines in their entirety;

and on page 13, below line 25, by adding the following:

"SECTION 6. A NEW SECTION OF KRS CHAPTER 103 IS CREATED TO READ AS FOLLOWS:

(1) The industrial revenue bond oversight committee is hereby established and shall consist of eight (8) members, who shall be appointed as follows for a term of four (4) years:

(a) One (1) member shall be a member of the house of representatives, appointed by the speaker of the house of representatives;

(b) One (1) member shall be a senator, appointed by the president pro tempore of the senate;

(c) One (1) member shall be appointed by the governor from a list of two (2) nominees submitted by the Kentucky association of counties;

(d) One (1) member shall be appointed by the governor from a list of two (2) nominees submitted by the Kentucky municipal league;

(e) One (1) member shall be appointed by the governor from a list of two (2) nominees submitted by the Kentucky Chamber of Commerce;

(f) One (1) member shall be appointed by the governor from a list of two (2) nominees submitted by the Kentucky AFL-CIO;

(g) One (1) member shall be a citizen at large who is not associated with or financially interested in the business regulated;

(h) The secretary of the development cabinet, or his designee, shall be a member of the committee.

(2) The industrial revenue bond oversight committee is attached to the development cabinet for administrative and support purposes.

(3) It shall be the duty of the committee to review all commercial projects, including commercial facilities primarily making wholesale or retail sales to the general public, for which industrial revenue bonds are to be issued, whether by cities, counties, urban county governments, air boards, riverport authorities, or the Kentucky industrial development finance authority. Such review shall include, but need not be limited to, the following:

(a) The economic need for the project in the area.

(b) Whether the project places an unjustified competitive disadvantage on existing business in the area.

(c) If normal commercial financing is unavailable for this project or if available at what rates it must be secured and under what terms and conditions.

(d) If the project is in accord with the intent of KRS 103.200 to 103.285 and this Act.

(e) The project's economic soundness.

(4) If the committee finds that the project does not meet all of the above listed criteria it shall deny approval of the project until the objections thereto have been met.

(5) Members of the committee shall receive seventy-five dollars ($75.00) per diem and their actual and necessary expenses incurred in the performance of their duties.

(6) The committee may require the submission of testimony, project data, or any other information deemed appropriate with regard to any project submitted to it for approval.

(7) The committee shall notify the agency or unit of government proposing the issuance of bonds and the developers of the project of the date on which the project will be considered by the committee at a public hearing. Any person may attend the hearing and may personally, or through counsel, address the committee with regard to the project and make recommendations to the committee thereon. Notice shall be given to the agency or unit of government proposing to issue the bonds and the developers of the project not less than forty-five (45) days before the date the committee has set for the hearing on the project. The agency or unit of government proposing the issuance of the bonds shall, not less than thirty (30) days before the date of the hearing, publish notice of the hearing in the manner required by KRS Chapter 422. The agency or unit of government proposing the issuance of the bonds shall require the developer of the project (if it is other than the agency or unit of government) to reimburse the agency or unit of government for the cost of the advertising required herein.

(8) The committee shall have the right to approve or disapprove any commercial project as described in subsection (2) of this section, submitted to it, including the bond issue accompaning the project, and no project which is disapproved shall be proceeded with (other than in a planning stage) until approval is gained. No bonds or other evidence of indebtedness for commercial projects shall be issued until approved by the committee.

(9) No agency authorized by KRS 103.200 to 103.285 or this Act shall issue bonds or other evidence of indebtness until the issuance of such bonds and the project for which they are to be issued is approved as provided in this Act."

and on page 12, line 3, after the word "include" insert the word "only".

On the roll call the vote was yeas 43-Adams, Bendl, Bennett, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Clark, Craddock, Crupper, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Foster, Hancock, Hines, Isler, Jones, Kenton, Kidd, Lundergan, May, McBee, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Stone, Thomason, Yates. Nays 32-Allen, Barrows, Burnette, Cawood, Clarke, Deskins, Farrow, Freibert, Fryman, Gray, Guenthner, Haering, Head, Heleringer, Holbrook, Layman, LeMaster, Lewis, List, Maynard, McKinney, Moberly, Patrick, Riner, Romines, Schmidt, Smith, Van Horn, Weinberg, Wilborn, Worthington, Wright.

The motion that the House refuse to concur in the Senate Amendments No. 8, No. 9, and No. 11 to **HB 462** was adopted.

HB 464, which Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 1 to **HB 464.**

Amend printed copy of **HB 464** on page 30, after line 20, by adding the following:

"A new section of KRS Chapter 154 is created to read as follows:

All applications made to the authority shall be subject to approval by a local development corporation, local development agency, or in the absence thereof, approval by a local governmental body. Approval shall take place in the following manner: The authority shall inform the local development corporation, agency or governmental body no later than thirty (30) days prior to the meeting of the authority at which the particular application will be considered. Recommendation for approval or disapproval by the local development corporation, agency or governmental body shall be submitted to the authority within thirty (30) days of the date of notification by the authority. Failure by the local development corporation, agency or governmental body to respond to the notification within thirty (30) days shall be deemed to be approval of the application by the local development corporation, agency or governmental body.";

and on page 30, line 21, by deleting "22" and inserting in lieu thereof "23".

On the roll call the vote was yeas 65-Adams, Arnold, Barrows, Bendl, Bennett, Boswell, Brinkley, Brown, Bruce, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Lundergan, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Rapier, Rattliff, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 7-Allen, Burnette, Davenport, Layman, Lewis, Little, Plummer.

Senate Amendment No. 1 to **HB 464** was adopted.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 2 to **HB 464.**

Amend printed copy of **HB 464** on page 17, line 26, by adding after "." the following:

"*(4) Determine the fiscal impact of the proposed project upon the community(ies) public facilities and services, including, but not limited to, schools, police and fire protection, streets and roads, water supply, sewage treatment, health care, and recreation.*"

On the roll call the vote was yeas 76-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, O'Brien, Overstreet, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 5-Allen, Lewis, Patrick, Plummer, Thomas.

Senate Amendment No. 2 to **HB 464** was adopted.

Representative B. Richardson moved that **HB 464,** as amended, by the Senate, be passed.

On the roll call the vote was yeas 58-Adams, Arnold, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clark, Craddock, Curd, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Freibert, Gray, Hancock, Heleringer, Hines, Isler, Johnson, Jones, Kenton, Kidd, Lunergan, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Stone, Thomas, Thomason, Weinberg, Worthington, Wright, Yates. Nays 21-Allen, Blythe, Burnette, Cawood, Clarke, Crupper, Davenport, Farrow, Haering, Holbrook, Layman, LeMaster, Lewis, List, Little, Maynard, Patrick, Plummer, Turner, Van Horn, Wilborn.

HB 464, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 464,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 469, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Curd moved that the House concur in the following Senate Amendment No. 1 to **HB 469.**

Amend printed copy of **HB 469** on page 1, line 4, by adding after the word "*basis*" the following: "*, except those employed on a twelve (12) months basis*";

and on page 1, line 12, by adding after the word "closed" the following: "*, provided, however, any time not worked for which pay is received must be made up prior to the end of that current school year, or pay so received shall be withheld from the final salary payment of that school year.*"

On the roll call the vote as yeas 59-Adams, Arnold, Barrows, Bendl, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Dunn, Farrow, Freibert, Fryman, Gray, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, May, McBee, McKinney, Nett, O'Brien, Overstreet, Rapier, Richards, P. Richardson, Riner, Romines, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Yates. Nays 7-Allen, Donnermeyer, Mann, Moberly, Patrick, Petty, Plummer.

Senate Amendment No. 1 to **HB 469** was adopted.

Representative Curd moved that **HB 469,** as amended by the Senate, be passed.

On the roll call the vote was yeas 60-Adams, Arnold, Barrows, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Dunn, Farrow, Freibert, Fryman, Haering, Hancock, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, O'Brien, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Romines, Smith, Stone, Thomason, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 11-Allen, Blythe, Burnette, Donnermeyer, Gray, Heleringer, Lewis, Mann, Patrick, Petty, Turner.

HB 469, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 469,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 472, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative LeMaster moved that the House concur in the following Senate Amendment No. 1 to **HB 472.**

Amend printed copy of **HB 472** on page 3, after line 4, add "*, except as provided in KRS 250.030*".

On the roll call the vote was yeas 64-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Brown, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Dunn, Farrow, Freibert, Fryman, Gray, Haering, Hancock, Heleringer, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, May, Maynard, McNutt, Moberly, Nett, Noe, O'Brien, Petty, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Smith, Stone, Thomas, Thomason, Van Horn, Weinberg, Worthington, Wright, Yates. Nays 5-Allen, Bruce, Burnette, Morris, Plummer.

Senate Amendment No. 1 to **HB 472** was adopted.

Representative LeMaster moved that the House concur in the following Senate Amendment No. 2 to **HB 472.**

Amend printed copy of **HB 472** on page 3, line 15, by deleting the bracket "]" after the word "sale";

and on page 3, line 18, by inserting a bracket "]" before the ".".

On the roll call the vote was yeas 64-Adams, Arnold, Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Freibert, Guenthner, Haering, Hancock, Heleringer, Holbrook, Isler, Jones, Kidd, Layman, LeMaster, Lewis, Little, Mann, May, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Smith, Stone, Thomas, Thomason, Van Horn, Weinberg, Worthington, Wright, Yates. Nays 7-Allen, Bruce, Burnette, Gray, Morris, Patrick, Turner.

Senate Amendment No. 2 to **HB 472** was adopted.

Representative LeMaster moved that **HB 472,** as amended by the Senate, be passed.

On the roll call the vote was yeas 76-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Farrow, Freibert, Fryman, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Patrick, Petty, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 1-Gray.

HB 472, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 472,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 478, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Donnermeyer moved that the House concur in the following Senate Amendment No. 1 to **HB 478.**

Amend printed copy of **HB 478** on page 2, line 23, by inserting after the word "members" the following: ", three of which shall be voting members and one shall be a nonvoting member. The voting members shall be as follows";

and on line 26, delete all the words after the word "representatives,";

and on page 3, line 1, by deleting all the words;

and on line 2, by deleting the word, "association,";

and on line 3, by inserting after the word "commission." the following: "The nonvoting member shall be appointed by the Kentucky division of the horsemen's benevolent and protective association."

On the roll call the vote was yeas 60-Arnold, Barrows, Bennett, Blandford, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Freibert, Gray, Hancock, Heleringer, Hines, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Mann, McBee, Moberly, Morris, Nett, Noe, O'Brien, Petty, Rapier, Richards, B. Richardson, P. Richardson, Romines, Schmdit, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 10-Allen, Bendl, Farrow, Haering, Holbrook, List, Little, Lundergan, Patrick, Plummer.

Senate Amendment No. 1 to **HB 478** was adopted.

Representative Donnermeyer moved that **HB 478,** as amended by the Senate, be passed.

On the roll call the vote was yeas 57-Adams, Arnold, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Fryman, Gray, Hancock, Heleringer, Hines, Isler, Johnson, Jones, Kenton, Kidd, Layman, Lewis, Mann, May, McBee, Morris, Nett, Noe, O'Brien, Petty, Rapier, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Stone, Thomas, Thomason, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 14-Allen, Bendl, Brown, Farrow, Foster, Freibert, Haering, LeMaster, List, Little, Lundergan, Patrick, Plummer, Turner.

HB 478, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 478,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 488, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Van Horn moved that the House concur in the following Senate Amendment No. 1 to **HB 488.**

Amend printed copy of **HB 488** on page 1, line 18, delete in its entirety subsection 3;

and on page 2, line 3, delete the number "(4)" and insert in lieu thereof the number "(3)".

On the roll call the vote was yeas 69-Adams, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clark, Crupper, Curd, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, Moberly, O'Brien, Petty, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Wright, Yates. Nays 9-Allen, Arnold, Caldwell, Clarke, DeFalaise, Nett, Patrick, Plummer, Worthington.

Senate Amendment No. 1 to **HB 488** was adopted.

Representative Van Horn moved that **HB 488,** as amended by the Senate, be passed.

On the roll call the vote was yeas 69-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, Maynard, McBee, Moberly, Nett, O'Brien, Patrick, Petty, Plummer, Rapier, Richards, P. Richardson, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Yates. Nays 0.

HB 488, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 488,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 491, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 1 to **HB 491.** Agreed.

Amend printed copy of **HB 491** on page 1, line 19, by deleting the words "In the event the insured";

and on page 1, lines 20 and 21, by deleting in their entirety;

and on page 2, line 1, by deleting in its in entirety;

and on page 2, line 21, by deleting the "," appearing on that line and substituting in lieu thereof "."; and by deleting the language contained in line 21 following that period in its entirety as well as deleting lines 22 through 25 in their entirety;

and on page 3, line 21 by deleting the "," and substituting "." in lieu thereof as well as by deleting the language in line 21 following that period;

and on page 3, lines 22 through 25, by deleting in their entirety.

On the roll call the vote was yeas 67-Adams, Allen, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, List, Little, Lundergan, May, Maynard, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Wright, Yates. Nays 6-Cawood, Fryman, Layman, Mann, Patrick, Worthington.

Senate Amendment No. 1 to **HB 491** was adopted.

Representative B. Richardson moved that **HB 491,** as amended by the Senate, be passed.

On the roll call the vote was yeas 67-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Clark, Craddock, Crupper, Curd, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Freibert, Fryman, Gray, Guenthner, Heleringer, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Yates. Nays 11-Caldwell, Clarke, DeFalaise, Farrow, Haering, Hancock, Jones, Layman, Patrick, Plummer, Wright.

HB 491, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 491,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 498, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Holbrook moved that the House concur in the following Senate Amendment No. 1 to **HB 498.**

Amend printed copy of **HB 498** on page 1, line 11, by placing a "(" between *System* and *Subchapter* and by deleting the "(" between *of* and *Title*;

and on page 1, line 8, by deleting *home* and substituting therefore *property*;

and on page 1, line 12, by deleting *home* and substituting therefore *property*.

On the roll call the vote was yeas 66-Adams, Allen, Bendl, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Heleringer, Hines, Holbrook, Isler, Jones, Kenton, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Richards, B. Richardson, Schmidt, Stone, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 2-Haering, Riner.

Senate Amendment No. 1 to **HB 498** was adopted.

Representative Holbrook moved that **HB 498,** as amended by the Senate, be passed.

On the roll call the vote was yeas 59-Allen, Bendl, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Heleringer, Holbrook, Isler, Jones, Kenton, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, Morris, Nett, Noe, O'Brien, Overstreet, Plummer, Rapier, Richards, B. Richardson, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Wilborn, Yates. Nays 10-Davenport, DeFalaise, Farrow, Haering, Patrick, Riner, Romines, Weinberg, Worthington, Wright.

HB 498, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 498,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 576, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 1 to **HB 576.**

Amend printed copy of **HB 576** on page 2, after line 14, by inserting the following:

"Section 2. The provisions of this Act relating to the game and fish fund shall become effective January 1, 1982."

On the roll call the vote was yeas 32-Bendl, Blythe, Bruce, Burch, Caldwell, Craddock, Curd, DeFalaise, Deskins, Donnermeyer, Dunn, Foster, Gray, Guenthner, Hines, Holloway, Jones, Kidd, List, Mann, May, Maynard, O'Brien, Petty, Richards, B. Richardson, Schmidt, Stone, Thomas, Tobin, Turner, Yates. Nays 48-Adams, Allen, Arnold, Barrows, Blandford, Boswell, Brinkley, Bronger, Brown, Burnette, Cawood, Clark, Clarke, Crupper, Davenport, Dawahare, Farrow, Freibert, Fryman, Haering, Hancock, Heleringer, Holbrook, Isler, Johnson, Layman, LeMaster, Little, Lundergan, McBee, McNutt, Moberly, Nett, Noe, Overstreet, Patrick, Plummer, Rapier, P. Richardson, Riner, Smith, Thomason, Van Horn, Weinberg, White, Wilborn, Worthington, Wright.

Speaker Pro Tempore Hancock presiding.

Senate Amendment No. 1 to **HB 576** was rejected.

HB 604, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Adams moved that the House concur in the following Senate Amendment No. 1 to **HB 604.**

Amend printed copy of **HB 604** on page 2, lines 14 through 18, by deleting the entire sentence beginning on line 14 with "Any such investment . . ".

On the roll call the vote was yeas 58-Adams, Arnold, Bendl, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clark, Craddock, Crupper, Davenport, DeFalaise, Deskins, Donnermeyer, Dunn, Foster, Freibert, Gray, Guenthner, Hines, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Nett, O'Brien, Overstreet, Petty, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, Worthington, Yates. Nays 3-Curd, Farrow, Rapier.

Senate Amendment No. 1 to **HB 604** was adopted.

Representative Adams moved that **HB 604,** as amended by the Senate, be passed.

On the roll call the vote was yeas 67-Adams, Arnold, Barrows, Bendl, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Davenport, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Gray, Guenthner, Hancock, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Yates. Nays 2-Rapier, Wright.

HB 604, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 604,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 613, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Adams moved that the House concur in the following Senate Amendment No. 2 to **HB 613.**

Amend printed copy of **HB 613** on page 1, deleting lines 19, 20, and 21 in their entirety;

and on page 2, by deleting line 1 in its entirety and inserting in lieu thereof the following:

"*(2) When a real estate broker's office is located in an office building, the broker must display his sign at his office door and also be listed as a real estate broker on the office directory. Where such office is located in a building that is also used as a dwelling, the required sign must be located so that it may be seen from the street or road that is designated as the office address. This requirement shall not apply to a licensed real estate broker who is affiliated with another broker in the capacity of a salesman.*

SECTION 2. A NEW SECTION OF KRS CHAPTER 324 IS CREATED TO READ AS FOLLOWS:

(1) Unless otherwise prohibited by law, the designated broker's name and the fact that he is a real estate broker shall appear in all advertising of any nature what so ever, including newspaper ads, all signs, stationery and cards, in order that the general public be advised of the licensed broker. Firm name only is required on newspaper classified ads. This requirement shall apply only to those brokers who are doing business under a firm name or assumed name other than their own.

(2) The name of the designated broker on all posted signs shall not be less than one (1) inch in height.

(3) The deceased broker's name may remain a part of the firm name.

(4) Only brokers and broker-salemen may have their name in the firm name. (No salesman's name may be a part of the firm name.)

(5) Any salesman or broker affiliated as a salesman must advertise in the name of his designated broker, even when selling his own property.

(6) Other than the requirements stated in this section and in KRS 324.115, the commission shall not regulate the content, size or format of any signs or advertising.

On the roll call the vote was yeas 46-Adams, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Clark, Craddock, Curd, Dawahare, DeFalaise, Donnermeyer, Foster, Freibert, Gray, Hines, Holbrook, Isler, Kidd, Layman, List, Little, Lundergan, May, Maynard, O'Brien, Overstreet, Petty, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Smith, Stone, Thomason, Turner, Van Horn, Worthington, Wright, Yates. Nays 14-Barrows, Burnette, Caldwell, Cawood, Clarke, Crupper, Dunn, Farrow, McBee, Noe, Patrick, Tobin, Weinberg, Wilborn.

Senate Amendment No. 2 to **HB 613** was adopted.

Representative Adams moved that **HB 613,** as amended by the Senate, be passed.

On the roll call the vote was yeas 50-Adams, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Clark, Craddock, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Foster, Freibert, Fryman, Heleringer, Hines, Holbrook, Isler, Kidd, Layman, List, Little, Lundergan, May, Maynard, McBee, O'Brien, Overstreet, Petty, Rapier, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Smith, Stone, Thomason, Turner, Van Horn, Worthington, Wright, Yates. Nays 18-Barrows, Brown, Burnette, Caldwell, Cawood, Clarke, Crupper, Farrow, Mann, Moberly, Noe, Patrick, Riner, Stumbo, Tobin, Weinberg, White, Wilborn.

HB 613, as amended by the Senate, was passed and the title agreed to.

Representative Adams moved that the vote by which **HB 613,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 643, with Senate Committee Substitute and Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Committee Substitute and Amendment thereto. Agreed.

Representative B. Richardson moved that the House concur in the following Senate Committee Substitute to **HB 643.**

HB 643, AN ACT relating to industrial loan companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 287 IS CREATED TO READ AS FOLLOWS:

In undertaking the examination of any bank or trust company, neither the Commonwealth of Kentucky, the commissioner of the department of banking and securities, nor any examiner employed by the Commonwealth shall become liable to any depositor, investor, or other obligator of said bank or trust company by reason of said examination or omission of said examination to fully and effectively disclose the financial condition of said bank or trust company, it being the policy of the Commonwealth of Kentucky that such examinations as are required by KRS 287.450 and 287.460, are for the purpose of determining compliance with state law and not for the purpose of protecting or guaranteeing the depositors, investors or other obligators of said bank or trust company.

SECTION 2. A NEW SECTION OF KRS CHAPTER 288 IS CREATED TO READ AS FOLLOWS:

In undertaking the examination of a petty loan company neither the Commonwealth of Kentucky, the commissioner of the department of banking and securities, nor any examiner employed by the Commonwealth shall become liable to any depositor, investor, or other obligator of said petty loan company by reason of said examination or omission of said examination to fully and effectively disclose the financial condition of said petty loan company, it being the policy of the Commonwealth of Kentucky that such examinations as are required by KRS 288.610 are for the purpose of determining compliance with state law and not for the purpose of protecting or guaranteeing the depositors, investors or other obligators of said petty loan companies.

SECTION 3. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

In undertaking the examination of any credit union, neither the Commonwealth of Kentucky, the commissioner of the department of banking and securities, nor any examiner employed by the Commonwealth shall become liable to any depositor, investor, or other obligator of said credit union by reason of said examination or omission of said examination to fully and effectively disclose the financial condition of said credit union, it being the policy of the Commonwealth of Kentucky that such examinations as are required by KRS 290.100 are for the purpose of determining compliance with state law and not for the purpose of protecting or guaranteeing the depositors, investors or other obligators of said credit unions.

SECTION 4. A NEW SECTION OF KRS 291.410 TO 291.600 IS CREATED TO READ AS FOLLOWS:

In undertaking the examination of any industrial loan company, neither the Commonwealth of Kentucky, the commissioner of the department of banking and securities, nor any examiner employed by the Commonwealth shall become liable to any depositor, investor or other obligator of said industrial loan company by reason of said examination or omission of such examination to fully and effectively disclose the financial condition of said industrial loan company, it being the policy of the Commonwealth of Kentucky that such examinations as are required by KRS 291.530 are for the purpose of determining compliance with *state law and not for the purpose of protecting or guaranteeing the depositors, investors or other obligators of said industrial loan companies.*

On the roll call the vote was yeas 26-Adams, Arnold, Bendl, Blandford, Boswell, Bruce, Clarke, Craddock, Crupper, Donnermeyer, Foster, Hancock, Jones, List, Lundergan, May, McBee, Morris, Nett, Richards, B. Richardson, P. Richardson, Schmidt, Thomason, Turner, Weinberg. Nays 52-Allen, Barrows, Bennett, Blythe, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Curd, Davenport, Dawahare, DeFalaise, Deskins, Dunn, Farrow, Freibert, Fryman, Guenthner, Haering, Heleringer, Hines, Holbrook, Isler, Johnson, Kidd, Lewis, Little, Mann, Maynard, McNutt, Moberly, Noe, Overstreet, Patrick, Petty, Plummer, Rapier, Riner, Romines, Smith, Stone, Stumbo, Tobin, Van Horn, Wilborn, Worthington, Wright, Yates.

Senate Committee Substitute to **HB 643** was rejected.

HB 704, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Smith moved that the House concur in the following Senate Amendment No. 1 to **HB 704.**

Amend printed copy of **HB 704** on page 3, by deleting line 26 in its entirety;

and on page 4, line 1, by deleting the words "to provide";

and on page 4, line 6, by deleting the words "in containers for use off the premises";

and on page 4, line 11, by deleting the words "a consumer" and inserting in lieu thereof the word "consumers";

and on page 4, by deleting lines 13-14 in their entirety;

and on page 4, line 15, by deleting the words "purchasers by posting" and insert in lieu thereof the words "shall post";

and on page 4, line 18, by inserting a period "." after the word "facilities";

and on page 4, by deleting line 19 in its entirety.

On the roll call the vote was yeas 60-Allen, Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Clarke, Curd, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Heleringer, Hines, Holbrook, Isler, Kidd, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Richards, P. Richardson, Riner, Romines, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington. Nays 8-Adams, Bruce, Burnette, Haering, Morris, Patrick, Stumbo, Wright.

Senate Amendment No. 1 to **HB 704** was adopted.

Representative Smith moved that the House concur in the following Senate Amendment No. 2 to **HB 704.**

Amend printed copy of **HB 704** on page 3, lines 7-9, by deleting the following: "and persons holding contracts with the state or any its political subdivisions".

On the roll call the vote was yeas 52-Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Curd, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Gray, Heleringer, Hines, Holbrook, Isler, Jones, Kidd, LeMaster, Little, Lundergan, Mann, May, Maynard, McBee, McNutt, Morris, Nett, Noe, O'Brien, Overstreet, Plummer, Rapier, Richards, P. Richardson, Romines, Smith, Stone, Tobin, Van Horn, Weinberg, White, Worthington. Nays 17-Adams, Allen, Bendl, Burnette, Craddock, Davenport, Farrow, Foster, Freibert, Fryman, Haering, Patrick, Riner, Stumbo, Turner, Wright, Yates.

Senate Amendment No. 2 to **HB 704** was adopted.

Representative Smith moved that **HB 704,** as amended by the Senate, be passed.

On the roll call the vote was yeas 56-Arnold, Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Caldwell, Cawood, Clark, Clarke, Curd, Dawahare, DeFalaise, Donnermeyer, Dunn, Foster, Gray, Heleringer, Hines, Holbrook, Isler, Jones, Kidd, LeMaster, Little, Mann, May, Maynard, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Romines, Smith, Stone, Stumbo, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington. Nays 7-Adams, Allen, Bruce, Deskins, Farrow, Haering, Riner.

HB 704, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 704,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 816, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Bruce moved that the House concur in the following Senate Amendment No. 1 to **HB 816.**

Amend printed copy of **HB 816** on page 1, line 10, delete the words "*notify in writing*" and insert in lieu thereof the words "*make a recommendation to*";

and on page 1, line 10, delete "that:";

and on page 1, line 10, insert "." after the word "insured";

and on page 1, lines 11 and 12, delete the same.

On the roll call the vote was yeas 26-Adams, Barrows, Bruce, Curd, Deskins, Foster, Freibert, Guenthner, Haering, Holbrook, LeMaster, Lundergan, May, Moberly, Morris, Petty, Richards, B. Richardson, Riner, Schmdit, Stone, Stumbo, Thomason, Weinberg, Wilborn, Wright. Nays 42-Allen, Arnold, Bendl, Bennett, Blythe, Boswell, Bronger, Brown, Burnette, Caldwell, Cawood, Clark, Clarke, Craddock, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Gray, Heleringer, Hines, Isler, Johnson, Lewis, Little, Mann, McBee, McNutt, Noe, Overstreet, Patrick, Plummer, Rapier, Romines, Smith, Turner, Van Horn, White, Worthington, Yates.

Senate Amendment No. 1 to **HB 816** was rejected.

HB 830, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Cawood moved that the House concur in the following Senate Amendment No. 1 to **HB 830.**

Amend printed copy of **HB 830** on page 23, after line 20, by inserting the following:

"Section 11. KRS 350.130 is amended to read as follows:
(1) If any of the requirements of this chapter or rules or regulations adopted pursuant thereto or the orders of the department have not been complied with within the time limits set by the department or by this chapter, the department shall cause a notice of noncompliance to be served upon the operator, or where found necessary, the secretary shall after hearing (except as provided in KRS 224.071) order the suspension of a permit or operation. Such notice or order shall be handed to the person in charge of the operation, and the operator in person or served by certified mail, return receipt requested or by registered mail addressed to the permanent address shown on the application for a permit or if no address is shown on the application, then to the address known to the department. The notice of noncompliance or order of suspension shall specify in what respects the operator has failed to comply with this chapter or the regulations or orders of the department *and the remedial action required, the period of time established for abatement, and a reasonable description of the portion of the surface coal mining and reclamation operation to which the notice or order*

applies. If the operator has not reached an agreement with the department or has not complied with the requirements set forth in the notice of noncompliance or order of suspension within time limits set therein, the permit may be revoked or the operation terminated, after hearing, by order of the department and the performance bond, if any, shall then be forfeited to the department, except as provided in subsection (2) of this section and in KRS 350.110.

(2) When a bond is forfeited pursuant to the provisions of this chapter, the secretary shall give notice to the attorney general, who shall collect the forfeiture. Bond forfeitures collected in cases where the surface rights have been severed from the mineral rights shall be paid to the surface owner for the purpose of reclaiming in accordance with the provisions of this chapter the same area of land included under the bond; provided, that no payment shall be made until the reclamation has been accomplished in the manner required by the department, to the extent of available forfeited funds, and no payment shall be made beyond the actual cost of reclamation. Provided further, that this section shall not apply in cases where the owner does not desire or is unable to accomplish the work in the manner required by the department.

(3) An operator or person whose mining permit or operation has been revoked, suspended, or terminated shall not be eligible to receive another permit or begin another operation or to have suspended permits or operations reinstated until he shall have complied with all the requirements of this chapter in respect to all permits issued him, provided, further, that no operator or person shall be eligible to receive another permit or begin another operation who has forfeited any bond unless the land for which the bond was forfeited has been reclaimed without cost to the state or the operator or person has paid such sum as the department finds is adequate to reclaim such lands. The department shall not issue any additional permits to or allow future operations by any operator or person who has repeatedly been in noncompliance or violation of this chapter[, or who has had permits revoked or operations terminated on more than three (3) occasions].

Section 12. KRS 350.420 is amended to read as follows:

The operator shall minimize disturbances to the prevailing hydrologic balance at the mine-site and in associated offsite areas and to the quality and quantity of water in surface and ground water systems both during and after strip mining operations and during reclamation by:

(1) Avoiding acid or other toxic mine drainage by such measures as, but not limited to:

(a) Preventing or removing water from contact with toxic producing deposits;

(b) Treating drainage to reduce toxic content which adversely affects downstream water upon being released to water courses; and

(c) Casing, sealing, or otherwise managing boreholes, shafts, and wells and keeping acid or other toxic drainage from entering ground and surface waters;

(2) Conducting strip mining operations so as to prevent, to the extent possible using the best technology currently available, additional contributions of suspended solids to streamflow, or runoff outside the permit area, but in no event shall contributions be in excess of requirements set by applicable state or federal law;

(3) Constructing any siltation structures pursuant to subsection (2) of this section prior to commencement of strip mining operations, such structures to be certified by a qualified registered engineer to be constructed as designed and as approved in the reclamation plan;

(4) Cleaning out and removing temporary or large settling ponds or other siltation structures from drainways after disturbed areas are revegetated and stabilized, and depositing the silt and debris at a site and in a manner approved by the department, *however, settling ponds and siltation structures may be left and not removed if determined to be safe and written approval is granted by the department pursuant to its regulations*;

(5) Restoring recharge capacity of the mined area to approximate premining conditions;

(6) Avoiding channel deepening or enlargement in operations requiring the discharge of water from mines; and

(7) Such other actions as the department may prescribe.

Section 13. KRS 350.440 is amended to read as follows:

The operator shall place all excess spoil material resulting from strip mining and reclamation activities pursuant to KRS 350.445(2) in the following manner:

(1) Spoil is transported and placed in a controlled manner in position for concurrent compaction *(where advisable)* and in such a way as to assure mass stability and to prevent mass movement;

(2) The areas of disposal are within the bonded permit areas and all organic matter shall be removed immediately prior to spoil placement;

(3) Appropriate surface and internal drainage systems and diversion ditches are used so as to prevent spoil erosion and movement;

(4) The disposal area does not contain springs, natural water courses, or wet-weather seeps unless lateral drains are constructed from the wet area to the main underdrains in such a manner that filtration of the water into the spoil pile will be prevented;

(5) If placed on a slope, the spoil is placed upon the most moderate slope among those upon which, in the judgment of the department, the spoil could be placed in compliance with all the requirements of this

chapter and shall be placed, where possible, upon, or above, a natural terrace, bench, or berm, if such placement provides additional stability and prevents mass movement;

(6) Where the toe of the spoil rests on a downslope, a rock toe buttress of sufficient size to prevent mass movement is constructed;

(7) The final configuration is compatible with the natural drainage pattern and surroundings and suitable for intended uses;

(8) Design of the spoil disposal area is certified by a qualified registered professional engineer in conformance with professional standards; and

(9) All other provisions of this chapter are met."

and on page 23, line 21, by changing "Section 11" to "Section 14";

and on page 23, line 23, by changing "Section 12" to "Section 15".

On the roll call the vote was yeas 55-Barrows, Bendl, Bennett, Blythe, Boswell, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Clarke, Curd, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Heleringer, Hines, Isler, Johnson, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, Overstreet, Petty, Plummer, Rapier, Richards, P. Richardson, Romines, Schmidt, Smith, Stumbo, Thomas, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 0.

Senate Amendment No. 1 to **HB 830** was adopted.

Representative Cawood moved that the House concur in the following Senate Amendment No. 2 to **HB 830.**

Amend printed copy of **HB 830** on page 7, line 12 by deleting the language "*. All trucks*";

and on page 7, by deleting lines 13-17 in their entirety;

and on page 7, line 18 by deleting the language "*less than fifty dollars ($50)*".

On the roll call the vote was yeas 38-Allen, Arnold, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clark, Crupper, Davenport, Dawahare, DeFalaise, Fryman, Holbrook, Johnson, Jones, Layman, Lewis, Little, May, Maynard, McNutt, Overstreet, Patrick, Plummer, B. Richardson, Riner, Robinson, Stone, Tobin, Turner, Van Horn, White, Wilborn. Nays 40-Adams, Barrows, Bendl, Bennett, Blythe, Caldwell, Clarke, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Heleringer, Hines, Isler, LeMaster, List, Lundergan, Mann, McBee, Moberly, Morris, Nett, O'Brien, Petty, Rapier, Richards, P. Richardson, Romines, Schmidt, Smith, Stumbo, Thomas, Weinberg, Worthington, Yates.

Senate Amendment No. 2 to **HB 830** was rejected.

HB 858, which Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Nett moved that the House refuse to concur in the following Senate Amendment No. 1 to **HB 858.**

Amend printed copy of **HB 858** on page 8, after line 13, by inserting the following:

"SECTION 8. A NEW SECTION OF KRS CHAPTER 153 IS CREATED TO READ AS FOLLOWS:

(1) As used in this Act:

(a) "Multi-purpose arena" means a facility whose principal use includes, but is not limited to, the exhibition of collegiate basketball competition.

(b) "Restaurant" means any facility operated for profit which has minimum seating capacity of fifty (50) people at tables and which receives at least fifty percent (50%) of its gross annual income from the sale of food;

(2) Fiscal courts in counties containing cities of the first class shall levy:

(a) A ten percent (10%) surcharge on all tickets sold by a multi-purpose arena located in the county and constructed after the effective date of this Act; and ,

(b) A one-fourth of one percent (.25%) tax on gross receipts from the sale of food and beverages of all restaurants located in the county, effective January 1, 1981.

(3) All monies collected from the surcharge on tickets and the restaurant tax shall be placed in a fund to be used to defray operating expenses of any such multi-purpose arena."

On the roll call the vote was yeas 61-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Bronger, Brown, Burch, Caldwell, Clark, Clarke, Crupper, Curd, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Haering, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, LeMaster, Lewis, List, Lundergan, Mann, May, Maynard, McNutt, Morris, Nett, O'Brien, Overstreet, Petty, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Smith, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, Weinberg, Wilborn, Worthington, Yates. Nays 7-Blythe, Burnette, Layman, Moberly, Noe, Patrick, Robinson.

The motion that the House refuse to concur in Senate Amendment No. 1 to **HB 858** was adopted.

Representative Nett moved that the House concur in the following Senate Amendment No. 3 to **HB 858.**

Amend printed copy of **HB 858** on page 8, line 11, by deleting "Revenues received after retirement of the bonds mentioned herein shall be used to promote tourism within the jurisdiction of the urban-county government."

Create a new subsection of Section 7 to read as follows:

(3) After the retirement of the bonds provided for in subsection (1) of this section the additional transient room tax levied by that subsection shall be null and void."

On the roll call the vote was yeas 53-Arnold, Barrows, Bennett, Blandford, Blythe, Boswell, Bronger, Brown, Burch, Burnette, Caldwell, Clark, Clarke, Curd, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Heleringer, Hines, Holbrook, Jones, Kidd, LeMaster, List, Lundergan, Mann, May, Maynard, Moberly, Morris, Nett, Noe, O'Brien, Patrick, Petty, Rapier, Richards, B. Richardson, Riner, Romines, Schmidt, Smith, Stone, Thomas, Tobin, Turner, Van Horn, Weinberg, Wilborn. Nays 2-Adams, Yates.

Senate Amendment No. 3 to **HB 858** was adopted.

SB 236, as previously amended by Committee Amendment No. 1, taken from Orders of the Day. Representative B. Richardson moved that it be placed upon its passage. Agreed.

Representative Morris moved the adoption of the Floor Amendment No. 4 to **SB 236.**

Speaker Kenton presiding.

Representative Noe inquired as to whether a motion to reconsider by Representative Tobin, who passed on the issue, was legal.

The Chair ruled that non-voters are considered on the prevailing side.

Representatives Noe and Van Horn appealed the ruling of the Chair.

Speaker Pro Tempore Hancock presiding.

On the roll call the vote was yeas 42-Allen, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Burch, Craddock, DeFalaise, Donnermeyer, Dunn, Foster, Freibert, Guenthner, Hancock, Heleringer, Hines, Isler, Kenton, LeMaster, List, Lundergan, Mann, May, Maynard, McNutt, Morris, Nett, O'Brien, Petty, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Stumbo, Tobin, Turner, Wilborn, Yates. Nays 21-Brown, Burnette, Caldwell, Crupper, Farrow, Fryman, Haering, Holbrook, Layman, Lewis, Little, Moberly, Noe, Patrick, Rapier, Robinson, Smith, Stone, Van Horn, Weinberg, White.

The ruling of the Chair was upheld.

Speaker Kenton presiding.

Representative Overstreet inquired whether bills to raise revenue must originate in the House.

The Chair ruled **SB 236** was not a revenue producing measure.

Representative White moved that the House adjourn until April 1, 1980 at the hour of 9:00 a.m.

On the roll call the vote was yeas 22-Allen, Blandford, Boswell, Brown, Burnette, Crupper, Curd, Dawahare, Foster, Fryman, Haering, Layman, Lewis, Little, Noe, Overstreet, Patrick, Rapier, Robinson, Stone, Van Horn, White. Nays 46-Adams, Bendl, Bennett, Blythe, Bronger, Burch, Caldwell, Cawood, Clark, Craddock, DeFalaise, Donnermeyer, Dunn, Farrow, Freibert, Guenthner, Hancock, Heleringer, Hines, Holloway, Isler, Jones, Kenton, LeMaster, List, Lundergan, Mann, May, Maynard, McNutt, Morris, Nett, O'Brien, Petty, Richards, B. Richardson, Romines, Schmidt, Stumbo, Thomas, Thomason, Tobin, Turner, Weinberg, Wilborn, Yates.

The motion to adjourn was rejected.

On the roll call the vote was yeas 63-Allen, Barrows, Bendl, Bennett, Blandford, Boswell, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Craddock, Crupper, Curd, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Fryman, Gray, Guenthner, Hancock, Heleringer, Hines, Holloway, Johnson, Kenton, Layman, List, Little, Lundergan, Mann, May, Maynard, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Stumbo, Tobin, Turner, Van Horn, Weinberg, Yates. Nays 8-Adams, Blythe, Isler, LeMaster, Lewis, Robinson, White, Wilborn.

Floor Amendment No. 4 to **SB 236** was adopted.

Representative Dawahare moved the adoption of the Floor Amendment No. 7 to **SB 236.**

Representative Burch inquired as to whether Floor Amendment No. 7 was germane to the bill.

The Chair ruled Floor Amendment No 7 was not germane to the bill.

Representative Noe moved the adoption of the Floor Amendment No. 5 to **SB 236.**

Representative Dawahare inquired again about the ruling of the Chair in regard to Floor Amendment No. 7.

The Chair announced it was misled. Floor Amendment No. 7 was germane.

Representative Crupper moved that Floor Amendment No. 5 to **SB 236** be laid on the table.

On the roll call the vote was yeas 33-Allen, Blandford, Boswell, Brown, Burnette, Cawood, Crupper, Curd, Dawahare, Farrow, Foster, Fryman, Gray, Holbrook, Jones, Layman, Lewis, Little, Lundergan, May, McKinney, Noe, Overstreet, Patrick, Rapier, P. Richardson, Robinson, Stone, Stumbo, Thomason, Van Horn, Weinberg, White. Nays 39-Arnold, Bendl, Bennett, Blythe, Bronger, Bruce, Burch, Caldwell, Clark, Craddock, DeFalaise, Donnermeyer, Dunn, Freibert, Guenthner, Haering, Hancock, Heleringer, Hines, Isler, Kenton, LeMaster, List, Mann, Maynard, McNutt, Morris, Nett, O'Brien, Petty, Richards, P. Richardson, Romines, Schmidt, Smith, Tobin, Turner, Wilborn, Yates.

The motion that Floor Amendment No 5 to **SB 236** be laid on the table was rejected.

On the roll call the vote was yeas 33-Allen, Barrows, Blandford, Boswell, Brown, Burnette, Cawood, Crupper, Curd, Dawahare, Farrow, Foster, Gray, Holbrook, Johnson, Lewis, Little, McKinney, Moberly, Noe, Overstreet, Patrick, Plummer, Rapier, Robinson, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White. Nays 40-Adams, Arnold, Bendl, Bennett, Blythe, Bronger, Bruce, Burch, Caldwell, Clark, Craddock, DeFalaise, Donnermeyer, Dunn, Freibert, Guenthner, Haering, Hancock, Heleringer, Hines, Holloway, Isler, Kenton, Kidd, Layman, LeMaster, List, Lundergan, Mann, Maynard, McNutt, Morris, Nett, O'Brien, Richards, Romines, Schmidt, Tobin, Wilborn, Yates.

Floor Amendment No 5 to **SB 236** was rejected.

Speaker Pro Tempore Hancock presiding.

Representative Dawahare moved the adoption of the Floor Amendment No. 7 to **SB 236.**

On the roll call the vote was yeas 31-Arnold, Brown, Burnette, Cawood, Crupper, Curd, Dawahare, Farrow, Foster, Fryman, Gray, Heleringer, Holbrook, Layman, Lewis, Little, May, McKinney, Moberly, Noe, Overstreet, Patrick, Plummer, Rapier, Richards, Robinson, Smith, Stone, Van Horn, Weinberg, White. Nays 40-Adams, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Bronger, Bruce, Burch, Caldwell, Clark, Craddock, Donnermeyer, Dunn, Freibert, Guenthner, Haering, Hancock, Hines, Isler, Kenton, Kidd, LeMaster, List, Lundergan, Mann, Maynard, McNutt, Morris, Nett, O'Brien, B. Richardson, P. Richardson, Romines, Schmidt, Tobin, Turner, Wilborn, Yates.

Floor Amendment No. 7 to **SB 236** was rejected.

Representative Morris moved that **SB 236,** as amended, be passed.

Representative White moved the adoption of the Floor Amendment No. 8 to **SB 236.**

Representative Bronger inquired whether Floor Amendment No. 8 was germane to the bill.

The Chair ruled Floor Amendment No. 8 to **SB 236** was not germane to the bill.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 9 to **SB 236,** by Representative Holbrook:

Amend printed copy of **SB 236** on page 68, line 3, by adding the following:

"(4) A "scrap metal processor" is defined as one who, from a fixed location, utilizes machinery and equipment for processing and manufacturing iron, steel, or nonferrous metallic scrap into preoared grades and whose principal product is scrap iron, scrap metal, scrap steel or nonferrous metallic scrap for sale for remelting purposes. The provision of this Act shall not apply to a scrap metal processor."

Floor Amendment No. 10 to **SB 236,** by Representative B. Richardson:

Amend printed copy of **SB 236** on page 32, by deleting lines 18-26 in their entirety;

and on page 33, by deleting lines 1-5 in their entirety; and by renumbering the remaining sections accordingly.

Floor Amendment No. 11 to **SB 236,** by Representative Holbrook:

Amend printed copy of **SB 236** on page 68, line 21, by adding the following:

"(3) A "scrap metal processor" is defined as one who, from a fixed location, utilizes machinery and equipment for processing and manufacturing iron, steel or nonferrous metal scrap into prepared grades and whose principal product is scrap iron, scrap metal, scrap steel or nonferrous metallic scrap for sale for remelting purposes. The provisions of this Act shall not apply to a scrap metallic processor."

Floor Amendment No. 13 to **SB 236,** by Representative Stumbo:

Amend printed copy of **SB 236** on page 78, below line 13, by adding the following:

"SECTION 72. A NEW SECTION OF KRS CHAPTER 381 IS CREATED TO READ AS FOLLOWS:

The purposes of this Act are as follows:

(1) To facilitate and require the demonstration of a clear understanding between the owners of surface and mineral estates in land concerning their respective rights to use and occupy or injure the surface of the land;

(2) To protect the security of titles to land and improvements thereto;

(3) To promote the free alienability of land;

(4) To prevent hardship and injustice to surface or mineral owners arising from uncertainty of the law;

(5) To promote the conservation and the full and efficient use of all natural resources of the state, including the land, the making of improvements to the land, the growth of agriculture, the development of new industry and the general economic well-being of the state and its people;

(6) To codify a rule of construction for mineral deeds relating to coal extraction so as to implement the intention of the parties at the time the instrument was created; and

(7) To foster certainty and uniformity in the operation of the law.

SECTION 73. A NEW SECTION OF KRS CHAPTER 381 IS CREATED TO READ AS FOLLOWS:

In any instrument heretofore or hereafter executed purporting to sever the surface and mineral estates or to grant a mineral estate or to grant a right to extract minerals, which fails to state or describe in express and specific terms the method of coal extraction to be employed, or where said instrument contains language subordinating the surface estate to the mineral estate, it shall be held, in the absence of clear and convincing evidence to the contrary, that the intention of the parties to the instrument was that the coal be extracted only by the method or methods of coal extraction commonly known to be in use in Kentucky in the area affected at the time the instrument was executed, and that the mineral estate be dominant to the surface estate only for the purposes of coal extraction by the commonly known to be in use method or methods of coal extraction commonly known to be in use in Kentucky in the area affected at the time the instrument was executed.

SECTION 74. A NEW SECTION OF KRS CHAPTER 381 IS CREATED TO READ AS FOLLOWS:

For the purpose of this Act, "method" and "methods" mean underground, surface, auger, or open pit mining and nothing in this Act shall be interpreted to adversely affect the use of modern equipment or machinery.

SECTION 75. A NEW SECTION OF KRS CHAPTER 381 IS CREATED TO READ AS FOLLOWS:

In any deed in which the minerals are severed from the surface, the present owners of the surface rights may enter into a written agreement directing how the surface shall be reclaimed, and how the property shall be left after the extraction of the minerals, and in compliance with federal rules and regulations."

Floor Title Amendment No. 5 to **SB 236,** by Representative Stumbo:

Amend printed copy of **SB 236** on the Title page, by deleting "motor vehicle and trailer registration, titling and theft, and making an appropriation therefor" and inserting in lieu thereof "titles and making an appropriation therefor".

Floor Amendment No. 12 to **SB 236,** by Representative Worthington:

Amend printed copy of **SB 236** on page 78, by adding after line 13 the following:

"Section 72. KRS 64.150 is amended to read as follows:

(1) Jailers shall be paid out of the county treasury, except as provided in subsection (2) of this section, the following fees for the following services:

Putting a prisoner charged with an offense or contempt in irons, or to secure his safekeeping in the jail, besides the cost of irons	$ .50
Keeping and dieting prisoners in jail when confined for an offense or contempt, per day	*$8.00*[$6.75]
Imprisoning and releasing a prisoner charged with an offense or contempt	$ .75
Attending district or circuit court, per day (jailer shall be paid the fee for each day a prisoner is transported to court)	$6.00
Imprisoning and releasing a prisoner for violation of his probation or parole; provided, however, the state granting probation or parole has executed a compact with the commonwealth in accordance with KRS 439.560. The fees shall be the same as those charged for an offense and contempt.	

(2) The unit of government whose law, statute, ordinance, or code a prisoner is charged with or convicted of violating shall be responsible for paying to the jailer the fees provided in subsection (1) of this section. In the event of a person imprisoned for contempt of court, the state shall be deemed the responsible unit of government. Where a person is detained other than for violation of a law or for contempt the unit of government requesting the service of the jailer shall pay to the jailer the fees provided in subsection (1) of this section.

(3) For all other services performed by the jailer, he shall receive the same fees paid to sheriffs for like services.

(4) If a court sends a prisoner to a jail of another county, then the treasurer of the unit of government from which the prisoner was sent shall pay the treasurer of the holding county any fees to which the jailer of the holding county is entitled to by law."

Adjournment

Representative B. Richardson moved that the House adjourn until 9:00 a.m., Tuesday, April 1, 1980.

On the roll call the vote was yeas 43-Allen, Barrows, Bendl, Blandford, Brown, Burnette, Cawood, Craddock, Crupper, Curd, Dawahare, Farrow, Foster, Fryman, Gray, Holbrook, Johnson, Layman, Lewis, List, Little, May, McKinney, Moberly, Morris, Noe, Overstreet, Patrick, Petty, Plummer, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Smith, Stone, Tobin, Turner, Van Horn, Weinberg, White, Wilborn. Nays 31-Adams, Arnold, Bennett, Blythe, Bronger, Bruce, Burch, Caldwell, P. Clark, DeFalaise, Donnermeyer, Dunn, Freibert, Guenthner, Haering, Hancock, Heleringer, Hines, Isler, Jones, LeMaster, Lundergan, Mann, Maynard, McNutt, Nett, O'Brien, Romines, Schmidt, Thomas, Yates.

The motion to adjourn was adopted.

TUESDAY, APRIL 1, 1980

FIFTY-SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Chaplain Earl Bell, Bureau of Social Services, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Pearman.

Representative Isler moved that absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 31, 1980, be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 143, by Representatives Johnson, Blandford, and Boswell: A RESOLUTION honoring Owensboro High School for winning the 1980 State High School Basketball Tournament.

HR 144, by Representatives Kidd and Hines: A RESOLUTION honoring Jesse Owens, Olympic track star, who died early today, March 31, 1980 at the age of 66.

HR 145, by Representative Van Horn: A RESOLUTION honoring the memory of Winston Noplis, Jr., former president of Local 10372 of the Communication Workers of America, AFL-CIO, in Lexington, Kentucky.

Orders of the Day

SB 236, as amended (continued)

Representative B. Richardson moved that **SB 236,** as amended, be passed.

On the roll call the vote was yeas 38-Adams, Bendl, Brinkley, Bruce, Burch, Caldwell, Clark, Clarke, Craddock, Davenport, DeFalaise, Dunn, Freibert, Haering, Hancock, Heleringer, Hines, Holloway, Kidd, LeMaster, List, Lundergan, Mann, Maynard, McNutt, Morris, Nett, O'Brien, Petty, Priddy, Richards, B. Richardson, Romines, Schmidt, Smith, Tobin, Wilborn, Wright. Nays 37-Allen, Barrows, Blandford, Brown, Cawood, Crupper, Curd, Cyrus, DeMarcus, Ellington, Farrow, Foster, Fryman, Isler, Johnson, Jones, Kenton, Layman, Little, May, McKinney, Moberly, Noe, Overstreet, Patrick, Plummer, Rapier, Rattliff, P. Richardson, Sale, Stone, Thomason, Turner, Van Horn, Weinberg, White, Worthington.

SB 236, as amended, was defeated.

Representative B. Richardson moved that the vote by which **SB 236,** as amended, was defeated be reconsidered and said motion be postponed indefinitely. Agreed.

HB 141, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Priddy moved that the House concur in the following Senate Amendment No. 1 to **HB 141:**

Amend printed copy of **HB 141,** on page 3, line 14, after the word "transfers" delete the following: "thirty (30) grams" and insert in lieu thereof the following: "eight (8) ounces".

On page 3, line 19, after the word "sells" delete the following: "thirty (30) grams" and insert in lieu thereof the following: "eight (8) ounces"

On page 3, line 24, after the word "than" delete the word "thirty"

On page 3, line 25, delete the following: "(30) grams" and insert in lieu thereof the following: "eight (8) ounces"

On the roll call the vote was yeas 49-Arnold, Barrows, Bendl, Blair, Blandford, Boswell, Brown, Caldwell, Cawood, Clark, Crupper, Curd, Davenport, DeFalaise, Donnermeyer, Freibert, Hearing, Hines, Isler, Johnson, Kenton, Kidd, List, Little, Lundergan, Maynard, McKinney, Moberly, O'Brien, Patrick, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Wright. Nays 6-Allen, Fryman, Holbrook, Layman, Rattliff, Worthington.

Senate Amendment No. 1 to **HB 141** was adopted.

Representative Priddy moved that the House concur in the following Senate Amendment No. 3 to **HB 141:**

Amend printed copy of **HB 141** on page 9, line 19 after "(9)" delete the word "or" and on page 9, line 20, after "(10)" add the following: ", (11) or (15)"

On the roll call the vote was yeas 52-Arnold, Barrows, Bendl, Blandford, Boswell, Brown, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Farrow, Freibert, Hancock, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, LeMaster, List, Little, Lundergan, Maynard, McKinney, Moberly, Noe, Patrick, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Yates. Nays 0.

Senate Amendment No. 3 to **HB 141** was adopted.

Representative Priddy moved that **HB 141,** as amended by the Senate, be passed.

On the roll call the vote was yeas 58-Bendl, Blair, Blandford, Boswell, Brown, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Farrow, Foster, Freibert, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, McKinney, McNutt, Noe, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 6-Allen, Barrows, Deskins, Ellington, Moberly, Wilborn.

HB 141, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 141,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the House consider the following Free Conference Committee Report on **HB 150.** Agreed.

The free conference committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

Page 2, line 3 by inserting the following after the word "*Jefferson*", "*or in any institution serving a medically underserved community as designated by the United States department of health, education and welfare.*"

Page 2, line 4 after the word "*speciality*" insert "*, provided however that not more than twenty-five percent (25%) of this individuals from each university funded under this act shall be permitted to satisfy the three month requirement in a medically underserved area in the counties of Fayette and Jefferson.*"

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senate Members Benny Ray Bailey, Clyde Middleton, Danny Meyer; House Members Carl Hines, Sr., Bill Weinberg, Jerry Lundergan

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Weinberg moved the adoption of the Free Conference Committee Report on **HB 150.**

On the roll call the vote was yeas 44-Barrows, Blair, Blandford, Boswell, Brown, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Farrow, Foster, Freibert, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, LeMaster, List, Lundergan, McKinney, Moberly, Noe, Rapier, Richards, B. Richardson, P. Richardson, Sale, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Wright. Nays 4-Bendl, Haering, Hancock, Rattliff.

The Free Conference Committee report on **HB 150** was adopted.

Representative Weinberg, moved that **HB 150,** as amended by the Free Conference Committee Report, be adopted.

On the roll call the vote was yeas 45-Barrows, Blair, Blandford, Boswell, Brown, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, Lundergan, Maynard, McKinney, Moberly, Noe, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Wright. Nays 9-Bendl, Ellington, Freibert, Haering, Hancock, Holloway, List, McNutt, Rattliff.

HB 150, as amended by the Free Conference Committee Report, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 150,** as amended by the Free Conference Committee Report, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 416, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Priddy moved that the House concur in the following Senate Amendment No. 1 to **HB 416:**

Amend printed copy of **HB 416** on page 2, line 19 after the word "with" add the following: "or without"

On the roll call the vote was yeas 51-Bendl, Blair, Blandford, Boswell, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Haering, Hancock, Holbrook, Holloway, Isler, Kidd, LeMaster, List, Little, Mann, Maynard, McKinney, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, Wright. Nays 0.

Senate Amendment No. 1 to **HB 416** was adopted.

Representative Priddy moved that the House concur in the following Senate Amendment No. 2 to **HB 416:**

Amend printed copy of **HB 416,** page 2, line 10; by adding the word "of" after the word "tour"; and

page 3, line 21, by changing the word "of" after the word "statements" to the word "or"; and

page 5, line 11, by adding a new subsection to read as follows:

"(4) The provisions of this Act shall apply only to police officers of local units of government who receive funds pursuant to KRS 15.410 through 15.992."

On the roll call the vote was yeas 47-Bendl, Blair, Blandford, Boswell, Burch, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, DeFalaise, Donnermeyer, Farrow, Foster, Freibert, Haering, Hancock, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, LeMaster, List, Little, Mann, McKinney, Noe, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, White, Yates. Nays 1-Caldwell.

Senate Amendment No. 2 to **HB 416** was adopted.

Representative Priddy moved that **HB 416,** as amended by the Senate, be passed.

On the roll call the vote was yeas 53-Bendl, Blair, Blandford, Boswell, Brown, Burch, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Ellington, Farrow, Foster, Freibert, Hancock, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, List, Little, Mann, McBee, McKinney, McNutt, Noe, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, Wright, Yates. Nays 4-Barrows, Caldwell, Moberly, Wilborn.

HB 416, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 416,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 864, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative O'Brien moved that the House concur in the following Senate Amendment No. 1 to **HB 864:**

Amend printed copy of **HB 864,** page 15, following line 10, by adding:

(i) Notwithstanding the rate schedule set forth in this Section, rate Schedule H shall be in effect for the calendar year 1981 and each calendar year thereafter when the "Trust Fund Balance" as of December 31st immediately preceding the rate year is less than one hundred million dollars ($100,000,000).

On the roll call the vote was yeas 43-Barrows, Bendl, Blair, Blandford, Boswell, Burch, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Farrow, Foster, Freibert, Isler, Johnson, Kenton, LeMaster, List, Little, Maynard, McBee, McKinney, Noe, O'Brien, Patrick Priddy, Rapier, Richards, P. Richardson, Romines, Sale, Smith, Stone, Thomason, Tobin, Van Horn, Weinberg, Wright, Yates. Nays 6-Caldwell, Haering, Holbrook, Holloway, McNutt, Turner.

Senate Amendment No. 1 to **HB 864** was adopted.

Representative O'Brien moved that **HB 864,** as amended by the Senate, be passed.

On the roll call the vote was yeas 57-Allen, Arnold, Barrows, Bendl, Blair, Blandford, Boswell, Burch, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Haering, Hancock, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, List, Little, McBee, McKinney, McNutt, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Thomason, Tobin, Turner, Weinberg, Wright, Yates. Nays 3-Caldwell, Van Horn, Wilborn.

HB 864, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 864,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 936, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Boswell moved that the House concur in the Senate Amendment No. 1 to **HB 936.**

Amend printed copy of **HB 936,** page 2, line 1, after the word "*of*", by adding the following: "*or one who has a financial interest in*".

On the roll call the vote was yeas 41-Bendl, Boswell, Brown, Burch, Burnette, Cawood, Clark, Crupper, Curd, Davenport, Dawahare, DeFalaise, Donnermeyer, Farrow, Foster, Haering, Hines, Isler, Kenton, Kidd, List, Little, McBee, Moberly, Noe, O'Brien, Petty, Priddy, Rapier, Rattliff, P. Richardson, Sale, Smith, Stone, Thomason, Turner, Van Horn, White, Wilborn, Wright, Yates. Nays 16-Blair, Caldwell, Cyrus, Deskins, Ellington, Freibert, Fryman, Holbrook, Holloway, LeMaster, Mann, McNutt, Richards, Riner, Tobin, Weinberg.

Senate Amendment No. 1 to **HB 936** was adopted.

Representative Boswell moved that **HB 936,** as amended by the Senate, be passed.

On the roll call the vote was yeas 40-Bendl, Blandford, Boswell, Brown, Burch, Burnette, Cawood, Clark, Curd, Davenport, Dawahare, Donnermeyer, Dunn, Foster, Fryman, Hancock, Hines, Isler, Kenton, Kidd, Little, McBee, O'Brien, Petty, Priddy, Rapier, Rattliff, P. Richardson, Romines, Sale, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, Wilborn, Worthington, Wright, Yates. Nays 20-Blair, Cardwell, Crupper, Cryus, DeFalaise, Ellington, Farrow, Freibert, Guenthner, Haering, Holbrook, Holloway, LeMaster, List, Mann, McNutt, Richards, Riner, Stumbo, Tobin.

HB 936, as amended by the Senate, was defeated.

Representative Curd reported a machine malfunction.

Representative B. Richardson moved that the vote on **HB 936** be reconsidered and that it be placed in Orders of the Day. Agreed.

Representative Stumbo inquired whether a bill could be considered twice in the same day.

The Chair ruled a bill could be considered twice in the same day.

Representatives Stumbo and Smith appealed the ruling of the Chair.

Speaker Pro Tempore Hancock presiding.

On the roll call the vote was yeas 45-Arnold, Barrows, Bendl, Blandford, Blythe, Boswell, Burch, Burnette, Cawood, Clark, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Haering, Hancock, Hines, Isler, Johnson, Kenton, Kidd, LeMaster, List, Mann, Maynard, McBee, Moberly, Petty, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Stone, Thomason, Tobin, Turner, Wilborn, Wright, Yates. Nays 13-Allen, Blair, Caldwell, Davenport, Dawahare, Holbrook, Layman, Noe, Plummer, Smith, Stumbo, Van Horn, Weinberg.

The ruling of the Chair was upheld.

Speaker Kenton presiding.

Recess

Representative B. Richardson moved that the House recess for repair of roll call machine until 10:45. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 39, SB 133, SB 141, SB 148, SB 152, SB 163, SB 249, SB 258, SB 277, SB 287, SB 305, SB 333, SB 364,** and **SB 265** had been examined and found correctly enrolled. Said bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day (continued)

Representative B. Richardson moved that the vote on **HB 936,** as amended by the Senate, be reconsidered.

On the roll call the vote was yeas 53-Bendl, Bennett, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Guenthner, Hancock, Head, Holloway, Isler, Johnson, Kenton, Kidd, List, Little, Lundergan, Mann, Maynard, McBee, Moberly, Noe, O'Brien, Patrick, Petty, Priddy, Rapier, B. Richardson, Riner, Romines, Sale, Smith, Thomason, Turner, Weinberg, White, Wilborn, Worthington, Yates. Nays 12-Allen, Caldwell, Freibert, Haering, Holbrook, LeMaster, McNutt, Overstreet, Plummer, Richards, Tobin, Van Horn.

The motion that the vote on **HB 936,** as amended by the Senate, be reconsidered was adopted.

Representative Donnermeyer moved that **HB 936,** as amended by the Senate, be taken from Orders of the Day and placed upon its passage. Agreed.

Representative Boswell moved that **HB 936,** as amended by the Senate, be passed.

On the roll call the vote was yeas 57-Arnold, Bendl, Bennett, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Cawood, Clark, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Foster, Fryman, Guenthner, Hancock, Head, Hines, Holloway, Isler, Johnson, Kenton, Kidd, Little, Lundergan, Mann, Maynard, McBee, Noe, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 14-Blair, Caldwell, Crupper, Ellington, Farrow, Freibert, Haering, LeMaster, List, McKinney, McNutt, Overstreet, Richards, Tobin.

HB 936, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 936,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HJR 40, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Wilborn moved that the House concur in the following Senate Amendment No. 2 to **HJR 40.**

Amend printed copy of **HJR 40,** on page 2, by adding the following after line 12:

"*Section 2. That the intent of the General Assembly in establishing the school building authority was specifically to provide funds for the construction of facilities in qualified school districts needing financial assistance and nothing in the statutes authorizes the school building authority to act as a holding company for such school districts; therefore, the school building authority is directed to cease all activities related to school projects, construction or bonds, except with respect to bonds the authority is empowered to issue from general fund appropriations and pursuant to participation agreements with local school districts.*"

On the roll call the vote was yeas 22-Barrows, Bendl, Bennett, Bruce, Cawood, Clarke, DeFalaise, Donnermeyer, Freibert, Hearing, Heleringer, Hines, Kidd, Mann, Moberly, Petty, Riner, Schmidt, Thomason, Weinberg, Wilborn, Williams. Nays 51-Adams, Allen, Arnold, Blair, Blythe, Boswell, Burch, Burnette, Caldwell, Clark, Craddock, Crupper, Cyrus, Davenport, Dunn, Ellington, Farrow, Foster, Guenthner, Head, Holbrook, Holloway, Johnson, Jones, Kenton, LeMaster, List, Little, Lundergan, Maynard, McKinney, McNutt, Noe, Overstreet, Patrick, Priddy, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Smith, Stone, Stumbo, Turner, Van Horn, White, Worthington, Wright, Yates.

Senate Amendment No. 2 to **HJR 40** was rejected.

Representative Kenton moved that he be recorded as voting "yea" on **SB 236.** Agreed.

HB 91, with Senate Amendments attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Donnermeyer moved that the House concur in the following Senate Amendment No. 1 to **HB 91:**

Amend printed copy of **HB 91,** on page 1, line 13, after the word "person" by deleting the word "sixty-five (65)" and inserting in lieu thereof the word, "sixty (60)"

On the roll call the vote was yeas 64-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Boswell, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, List, Lundergan, Mann, Maynard, McNutt, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, P. Richardson, Riner, Robinson, Sale, Smith, Stone, Thomason, Turner, Van Horn, White, Williams, Worthington, Wright, Yates. Nays 0.

Senate Amendment No. 1 to **HB 91** was adopted.

Representative Donnermeyer moved that the House concur in the following Senate Amendment No. 2 to **HB 91:**

Amend printed copy of **HB 91,** on page 1, line 13 after the word "person" by deleting the word "sixty (60)" and inserting in lieu thereof the word "sixty-five (65)"

Page 1, line 12, by deleting the word "sixty (60)" and inserting in lieu thereof the word "sixty-five (65)"

Page 2, line 14, by deleting the word "sixty (60)" and inserting in lieu thereof the word "sixty-five (65)"

Page 3, line 2, by deleting the word "twenty-five thousand dollars ($25,000)" and inserting in lieu thereof the word "fifty thousand dollars ($50,000)"

Page 3, line 3, after the word "year" by inserting the words "and fifty thousand dollars ($50,000) for the 1981-82 fiscal year"

On the roll call the vote was yeas 65-Allen, Arnold, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, List, Lundergan, Mann, Maynard, McNutt, Overstreet, Patrick, Petty, Priddy, Rapier, Richards, P. Richardson, Riner, Robinson, Stone, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

Senate Amendment No. 2 to **HB 91** was adopted.

Representative Donnermeyer moved that **HB 91,** as amended by the Senate, be passed.

On the roll call the vote was yeas 69-Arnold, Barrows, Bendl, Blair, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Dunn, Farrow, Foster, Freibert, Guenthner, Hearing, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, List, Lundergan, Mann, Maynard, McBee, McKinney, Moberly, Noe, O'Brien, Overstreet, Patrick, Plummer, Priddy, Rapier, Richards, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 0.

HB 91, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 91,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 251, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Hancock moved that the House concur in the following Senate Amendment No. 1 to **HB 251:**

Amend printed copy of **HB 251,** on page 3, line 10, by inserting after "Effective" the words "*August 1, 1980*" and by placing brackets around "July 1, 1978"; and

on page 3, line 12, by inserting after "receiving" the phrase "*, or is eligible to receive in the future a veteran's pension or federal military retirement pay for age or length of service*" and by placing a bracket "[" before "a"; and

on page 3, line 13, by placing a bracket "]" after "future" and by adding the following after the period:

As used in this subsection, a "veteran's pension" and "federal military retirement pay for age or length of service" shall not include federal military retirement or severance pay for disability nor any veterans' service-connected disability compensation benefit administered as of the effective date of this Act by the United States veterans' administration.

and, on page 6, line 13, by inserting after "Effective" the words "*August 1, 1980*" and by placing brackets around "July 1, 1978"; and

on page 6, line 15, by inserting after "receiving" the phrase "*, or is eligible to receive in the future a veteran's pension or federal military retirement pay for age or length of service*" and by placing a bracket "[" before "a";

and, on page 6, line 16, by placing a bracket "]" after "future"; and

on page 6, line 18, by inserting "*retirement pay or*" after "military"; and

on page 6, line 20, by adding the following:

As used in this subsection, a "veteran's pension" and "federal military retirement pay for age or length of service" shall not include federal military retirement or severance pay for disability nor any veterans' service-connected disability compensation benefit administered as of the effective date of this Act by the United States veterans' administration.

On the roll call the vote was yeas 63-Allen, Arnold, Barrows, Bendl, Blair, Blythe, Boswell, Brinkley, Bruce, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, Maynard, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Rattliff, P. Richardson, Riner, Robinson, Sale, Smith, Stone, Tobin, Turner, Van Horn, Weinberg, White, Williams, Wright. Nays 0.

Senate Amendment No. 1 to **HB 251** was adopted.

Representative Hancock moved that **HB 251,** as amended by the Senate, be passed.

On the roll call the vote was yeas 60-Arnold, Barrows, Bendl, Bennett, Blythe, Boswell, Brinkley, Bruce, Cawood, Clark, Crupper, Curd, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, Maynard, McKinney, McNutt, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, P. Richardson, Riner, Robinson, Romines, Sale, Thomason, Tobin, Turner, Van Horn, White, Wilborn, Williams, Wright. Nays 6-Blair, Brown, Caldwell, Cyrus, Freibert, Moberly.

HB 251, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 251,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 245, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative Worthington moved that the House concur in the following Senate Amendment No. 1 to **HB 245:**

Amend printed copy of **HB 245** on page 1, by deleting lines 7 through 15 and inserting in lieu thereof the following:

"(2) The department of transportation shall maintain all covered wooden bridges in the Commonwealth which are on public roads and open to vehicular traffic. The department shall maintain the bridges for safety and for historical and aesthetic beauty. The department shall prepare estimates of the cost of maintaining covered wooden bridges which are on public roads and open to vehicular traffic and shall identify and include the total of these estimates in its biennial budget request."; and

on page 2 by deleting lines 5 through 13 and inserting in lieu thereof the following:

"(5) The department of parks shall be responsible for all covered wooden bridges located in the Commonwealth which are on public property and no longer open to vehicular traffic. The department shall maintain these bridges in sound structural condition and for historical and aesthetic beauty. The department shall prepare estimates of the cost of maintaining covered wooden bridges for which it has a responsibility and shall identify and include the total of these estimates in its biennial budget request."; and

on page 2, by deleting lines 14 through 18 and inserting in lieu thereof the following:

"(6) When appropriation is made to a covered wooden bridge authority created under the provisions of this Act, the department shall transfer the obligation of maintenance for the bridges designated in the appropriation to that authority."

On the roll call the vote was yeas 58-Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holloway, Isler, Kenton, Kidd, LeMaster, List, Lundergan, Mann, McNutt, Moberly, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, P. Richardson, Riner, Sale, Stone, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 0.

Senate Amendment No. 1 to **HB 245** was adopted.

Representative Worthington moved that **HB 245,** as amended by the Senate, be passed.

On the roll call the vote was yeas 63-Arnold, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Haering, Hancock, Head, Heleringer, Hines, Holloway, Isler, Kenton, Kidd, LeMaster, List, Lundergan, Mann, McNutt, Moberly, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, P. Richardson, Riner, Robinson, Romines, Sale, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 1-Burnette.

HB 245, as amended by the Senate, was passed.

Representative Worthington moved that the House concur in the following Senate Title Amendment No. 2 to **HB 245:**

Amend printed copy of **HB 245,** by amending the title to read "AN ACT relating to historical preservation."

On the roll call the vote was yeas 64-Arnold, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Farrow, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holloway, Isler, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, McNutt, Moberly, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Rattliff, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 0.

Senate Title Amendment No. 2 to **HB 245** was adopted.

Representative Donnermeyer moved that the vote by which **HB 245**, as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Blythe moved that he be recorded as voting "yea" on **HB 236.** Agreed.

HB 275, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Donnermeyer moved that the House concur in the following Senate Amendment No. 1 to **HB 275:**

Amend printed copy of **HB 275** on page 9, lines 19 through 24 by deleting same

On the roll call the vote was yeas 54-Bendl, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Haering, Head, Heleringer, Hines, Isler, Kenton, Kidd, List, Little, Lundergan, Mann, McBee, Moberly, O'Brien, Petty, Priddy, Rapier, Rattliff, P. Richardson, Robinson, Romines, Sale, Stone, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 6-Blythe, DeFalaise, Ellington, Hancock, Overstreet, Patrick.

Senate Amendment No. 1 to **HB 275** was adopted.

Representative Donnermeyer moved that **HB 275**, as amended by the Senate, be passed.

On the roll call the vote was yeas 55-Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Hancock, Head, Heleringer, Hines, Holloway, Isler, Kenton, Kidd, LeMaster, Little, Lundergan, Mann, McBee, Moberly, O'Brien, Petty, Priddy, Rapier, P. Richardson, Robinson, Sale, Smith, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 6-Burnette, Caldwell, Guenthner, Overstreet, Patrick, Riner.

HB 275, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 275**, as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 583, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment No. 1 to **HB 583.** Agreed.

Representative Little moved that the House concur in the following Senate Amendment No. 1 to **HB 583.**

Amend printed copy of **HB 583**, on page 4, after line 13 by adding:

"*(12) Motor vehicles used by a bank to transport cash letters, data processing material, instruments or documents between any of the bank's facilities and the facilities of any other bank, regardless of the ownership of any of said cash letters, data processing material, instruments or documents; provided, however, that such transportation is incidental to such bank's primary banking business.*"

On the roll call the vote was yeas 53-Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Brown, Bruce, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Head, Heleringer, Hines, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, McBee, McKinney, McNutt, O'Brien, Petty, Priddy, Rapier, Riner, Romines, Sale, Stone, Thomason, Turner, Van Horn, Williams, Wright, Yates. Nays 2-Freibert, Hancock.

Senate Amendment No. 1 to **HB 583** was adopted.

Representative Little moved that **HB 583**, as amended by the Senate, be passed.

On the roll call the vote was yeas 50-Arnold, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Caldwell, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Foster, Head, Heleringer, Hines, Holloway, Isler, Kenton, Kidd, LeMaster, List, Little, Lundergan, Mann, McBee, NcNutt, Noe, O'Brien, Petty, Rapier, Rattliff, P. Richardson, Riner, Sale, Smith, Stone, Thomason, Turner, Williams, Wright, Yates. Nays 10-Bennett, Cawood, Farrow, Hancock, Layman, McKinney, Overstreet, Romines, Van Horn, Wilborn.

HB 583, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 583,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 631, with Senate Amendments attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Hancock moved that the House concur in the following Senate Amendment No. 1 to **HB 631:**

Amend printed copy of **HB 631,** on page 3, line 15, by adding the word "*career*" after the word "any"; and on

Page 3, line 22 by adding the word "*career*" after the numeral "(1)"; and on

Page 4, line 4 by deleting the word "qualified," and substituting therefor the word "*career*".

On the roll call the vote was yeas 65-Arnold, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Hancock, Head, Heleringer, Hines, Holloway, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, O'Brien, Overstreet, Petty, Priddy, Rapier, Richards, P. Richardson, Riner, Sale, Stone, Thomason, Tobin, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

Senate Amendment No. 1 to **HB 631** was adopted.

Representative Hancock moved that the House concur in the following Senate Amendment No. 2 to **HB 631:**

Amend printed copy of **HB 631,** on page 1, line 7, by inserting after "*state service*" the phrase "*, in the executive branch of the state government*"; and

on page 1, line 18, by deleting "*dismissal*" and inserting in lieu thereof "*layoff*"; and

on page 1, line 19, by deleting "*resignation or layoff*" and inserting in lieu thereof "*dismissal*"; and by inserting after "*cause,*" the words "*and, in the case of an unclassified management employe, resignation other than resignation in lieu of dismissal for cause,*"; and

on page 2, lines 1 through 4, by deleting all material after "*of this Act.*"; and

on page 2, by deleting lines 7 through 11 and inserting in lieu thereof: "*revert to a position in that class in the agency from which he was terminated if a vacancy in that class exists. If no such vacancy exists, he shall be considered for employment in any vacant position for which he is qualified pursuant to the re-employment procedures.*"; and

on page 2, by deleting lines 18 through 26; and

on page 3, by deleting lines 1 through 12; and

on page 3, line 15, by inserting "*career*" after "*Any*" and by deleting "*with status*"; and by deleting "*resigned,*"; and

on page 3, line 16, by changing "*dismissed or laid off*" to "*laid-off or dismissed*"; and by inserting after "*cause,*" the words "*and, in the case of an unclassified management employe, resignation other than resignation in lieu of dismissal for cause,*"; and by deleting "*have*"; and on page 3, by deleting line 17 and inserting in lieu thereof "*be placed on re-employment lists for those classes of positions*"; and

on page 3, line 18, by deleting "*in the classified service*" and by inserting after "*qualified*" the phrase "*and passes the appropriate selection method*"; and

on page 3, line 19, by deleting "*status*" and inserting in lieu thereof "*career*"; and

on page 3, line 21, by deleting "*placed*" and inserting in lieu thereof "*eligible for placement*"; and

on page 3, line 22, by inserting "*career*" after "*(1)*" and by deleting "*with status who*"; and

on page 3, by deleting lines 23 and 24 and inserting in lieu thereof "*requests to be placed on the re-employment list for any job classification,*"; and

on page 3, lines 25 and 26, by deleting "*certify all such qualified*" and by inserting in lieu thereof "*list the names of such career*", and by deleting "*in appoint-*", and

on page 4, by deleting lines 1 and 2; and

on page 4, line 4, by deleting "*with status who*" and inserting in lieu thereof "*on the re-employment list for that class of position*"; and

on page 4, by deleting line 5 and all of line 6 except the words "*have been*"; and

on page 4, lines 7 and 8 by deleting "*in the position in the order of their certification*"; and

on page 4, lines 9 and 10, by deleting "*with status and with seniority among those*".

On the roll call the vote was yeas 15-Bendl, Blythe, Brown, Bruce, Burch, Caldwell, Curd, DeFalaise, Hancock, Holbrook, Maynard, P. Richardson, Riner, Thomason, Van Horn. Nays 51-Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Burnett, Cawood, Clark, Crupper, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Head, Heleringer, Hines, Isler, Johnson, Kenton, Kidd, Layman, List, Little, Lundergan, Mann, McKinney, Moberly, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Rattliff, Romines, Sale, Stone, Turner, Weinberg, Williams, Worthington, Wright, Yates.

Senate Amendment No. 2 to **HB 631** was rejected.

HB 659, with Senate Amendments attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Williams moved that the House concur in the following Senate Amendment No. 1 to **HB 659:**

Amend printed copy of **HB 659,** on page 10, line 9, after the comma and before the word "be" insert the words "historical structures, and small business concerns as defined in state and federal regulations,"

on page 10, line 10, after the period and before the word "These" insert the words "If multi-family projects are not exempt hereunder, only one out of every twenty-five (25) units must be accessible to the handicapped."

on page 9, line 2, delete in their entirety lines 2 through 5

on page 10, line 17, delete the words "or remodeling"

On the roll call the vote was yeas 46-Bendl, Bennett, Blandford, Boswell, Bronger, Brown, Burnette, Cawood, Clark, Crupper, Curd, Cyrus, DeFalaise, Donnermeyer, Farrow, Freibert, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Kidd, List, Little, Lundergan, Mann, McBee, Moberly, O'Brien, Petty, Priddy, Rapier, P. Richardson, Riner, Romines, Stone, Thomason, Van Horn, Wilborn, Williams, Wright. Nays 12-Allen, Blair, Blythe, Davenport, Ellington, Fryman, Layman, LeMaster, McNutt, Overstreet, Plummer, Turner.

Senate Amendment No. 1 to **HB 659** was adopted.

Representative Williams moved that **HB 659**, as amended by the Senate, be passed.

On the roll call the vote was yeas 51-Bendl, Bennett, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Hancock, Head, Heleringer, Hines, Isler, Johnson, Kenton, Kidd, List, Little, Mann, Maynard, McBee, Moberly, Noe, Petty, Priddy, Rapier, Richards, P. Richardson, Riner, Romines, Sale, Stone, Tobin, Van Horn, Wilborn, Williams, Worthington, Wright. Nays 19-Allen, Blair, Blythe, Burnette, Clapp, Davenport, Ellington, Fryman, Holbrook, Layman, LeMaster, McKinney, McNutt, O'Brien, Overstreet, Plummer, Rattliff, Thomason, Turner.

HB 659, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 659**, as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 638, with Senate Amendment attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Donnermeyer moved that the House concur in the following Senate Amendment No. 1 to **HB 638:**

Amend printed copy of **HB 638**, on page 1, line 6, by adding after the word worked , *except those employees who are under the federal railway labor act*

On the roll call the vote was yeas 43-Bendl, Bennett, Blair, Boswell, Brinkley, Brown, Burch, Clark, Crupper, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, List, Mann, Maynard, McKinney, Noe, Petty, Priddy, Rapier, Richards, Sale, Stone, Thomason, Tobin, Turner, Van Horn, Weinberg, Williams. Nays 11-Allen, Bruce, Davenport, Ellington, Freibert, Fryman, Holloway, Layman, Overstreet, Plummer, Robinson.

Senate Amendment No. 1 to **HB 638** was adopted.

Representative Donnermeyer moved that **HB 638**, as amended by the Senate, be passed.

On the roll call the vote was yeas 53-Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, Mann, Maynard, McBee, McNutt, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Richards, P. Richardson, Romines, Sale, Stone, Tobin, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright. Nays 11-Allen, Blair, Bruce, Davenport, Ellington, Freibert, Fryman, Holloway, Plummer, Robinson, Turner.

HB 638, as amended by the Senate, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HB 638**, as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 757, with Senate Amendments attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Cyrus moved that the House concur in the following Senate Amendment No. 1 to **HB 757:**

Amend printed copy of **HB 757**, on page 1, lines 1 through 21, by deleting those lines in their entirety and by inserting in lieu thereof the following:

"SECTION 1. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO READ AS FOLLOWS:

Before any unit of local government expends state derived tax revenues on a state rural, secondary, county road or municipal highway, road, street, or county or municipal bridge it shall hold a hearing in accordance with the provisions of this section to take the sense of the public with regard to the project and to priorities for use of tax moneys for road and bridge purposes.

(1) Not less than forty-five (45) days before the contemplated date of expenditure of state derived tax revenues on a road or bridge by a unit of local government that unit of government shall give notice in the manner required by KRS Chapter 424 of a public hearing for the purpose of taking the sense of the public with regard to road and bridge matters within the unit of local government. The hearing shall be held not less than thirty (30) days after the first publication of the notice and before beginning work on any project covered by this section.

(2) At the hearing any person may speak with regard to any proposed project, any project which he feels should be built or done which has not been proposed, priorities for completion of projects, and any other matter related to road or bridge projects.

(3) The unit of local government holding the hearing shall not be bound by the testimony heard at the hearing but shall give due consideration to it.

(4) No unit of local government shall begin construction on a road or bridge project wherein state derived tax revenues are involved until the hearing as provided herein has been held.

(5) This Act shall not be construed as to require a separate hearing for each project. A single hearing encompassing the entire road and bridge program, provided all projects subsequently undertaken have been identified at the hearing, shall meet the requirements of this section.

(6) The provisions of this section shall not apply to emergency repair or replacement of roads or bridges necessitated by natural or man-caused disasters nor to street cleaning or snow removal operations.

(7) The provisions of this section shall not apply to projects which are under construction as of the effective date of this Act unless construction is suspended after the effective date of this Act and the unit of local government desires to reactivate the project."

and on page 2, lines 1 through 10, by deleting those lines in their entirety

On the roll call the vote was yeas 33-Boswell, Brinkley, Brown, Bruce, Cawood, Crupper, Cyrus, DeFalaise, Deskins, Farrow, Foster, Fryman, Head, Holloway, Johnson, Kenton, Layman, LeMaster, Lundergan, Moberly, Noe, O'Brien, Richards, Riner, Romines, Sale, Smith, Thomason, Tobin, Weinberg, Wilborn, Williams, Wright. Nays 36-Allen, Arnold, Bennett, Blair, Blythe, Bronger, Burch, Burnette, Caldwell, Clark, Curd, Davenport, DeMarcus, Donnermeyer, Dunn, Ellington, Freibert, Haering, Hancock, Heleringer, Hines, Kidd, Lewis, List, Mann, Maynard, McBee, McNutt, Overstreet, Petty, Plummer, Rattliff, P. Richardson, Turner, Van Horn, Worthington.

Senate Amendment No. 1 to **HB 757** was rejected.

HB 863, with Senate Amendments attached thereto, taken from Orders of the Day. Representative Donnermeyer moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative O'Brien moved that the House refuse to concur in the following Senate Amendment No. 1 to **HB 863:**

Amend printed copy of **HB 863,** on page 1, lines 17 and 18, after the word "or" by deleting the words "surface transportation of"; and

on page 1, line 18, after the word "property" by inserting the words ", except for pipelines,"; and

on page 7, line 8, by changing "(2)" to "(3)"; and

on page 7, lines 20-24, by deleting the language beginning with "The secretary" and ending with "this Act".

On the roll call the vote was yeas 59-Allen, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkely, Bronger, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Foster, Freibert, Hancock, Head, Heleringer, Hines, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, List, Lundergan, Mann, Maynard, McBee, McNutt, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, P. Richardson, Riner, Sale, Smith, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 5-Ellington, Farrow, Haering, Thomason, Turner.

The motion that the House refuse to concur in the Senate Amendment No. 1 to **HB 863** was adopted.

Representative O'Brien moved that the House refuse to concur in the following Senate Amendment No. 2 to **HB 863:**

Amend printed copy of **HB 863** on page 1, lines 17 and 18, after the word "or" by deleting the words "surface transportation of"; and

on page 1, line 18, after the word "property" by inserting the words ", except for railway,"; and

on page 3, line 6, after the word "highway" by deleting the word ", railway,"; and

on page 6, line 11, after the word "way" by deleting the words "or railway system".

On the roll call the vote was yeas 66-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Haering, Head, Hines, Holbrook, Holloway, Isler, Johnson, Kenton, Layman, LeMaster, List, Little, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Stone, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 4-Blandford, Bronger, Ellington, Heleringer.

The motion that the House refuse to concur in Senate Amendment No. 2 to **HB 863** was adopted.

Representative O'Brien moved that the House refuse to concur in the following Senate Amendment No. 3 to **HB 863:**

Amend printed copy of **HB 863** on page 15, after line 12, insert the following language:

"SECTION 9. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO READ AS FOLLOWS:

Vehicles engaged in the transportation of fuels to end users are exempted from the requirements of this Act."; and

on page 15, line 13, change "Section 9" to "Section 10".

On the roll call the vote was yeas 60-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Freibert, Head, Heleringer, Hines, Holloway, Isler, Johnson, LeMaster, List, Little, Lundergan, Mann, Maynard, McBee, Moberly, O'Brien, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 5-Ellington, Farrow, Foster, Holbrook, McNutt.

The motion that the House refuse to concur in Senate Amendment No. 3 to **HB 863** was adopted.

Speaker Kenton presiding.

HB 793, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative B. Richardson moved that **HB 793** be passed.

On the roll call the vote was yeas 63-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Haering, Hancock, Head, Heleringer, Holloway, Isler, Johnson, Kenton, Layman, LeMaster, List, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, Noe, Overstreet, Petty, Priddy, Rapier, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington. Nays 1-Allen.

HB 793 was passed.

Representative B. Richardson moved that the House concur in the following Senate (Title) Amendment No. 1 to **HB 793:**

Amend printed copy of **HB 793** on page 1, line Title, by deleting in the title, the words, "and making an appropriation therefor"

On the roll call the vote was yeas 64-Allen, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Caldwell, Cawood, Clark, Crupper, Curd, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Haering, Head, Heleringer, Hines, Isler, Johnson, Kenton, LeMaster, List, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington. Nays 0.

Senate (Title) Amendment No. 1 to **HB 793** was adopted.

Representative B. Richardson moved that the vote by which **HB 793,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 968, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto.

Representative B. Richardson moved that the House refuse to concur in the following Senate Amendment No. 3 to **HB 968:**

Amend printed copy of **HB 968** on page 4, line 15, by deleting after the number "(9)", the rest of the words on line 15; and

by deleting lines 16 through 18 in their entirety, and on line 19, by deleting the number "(10)".

On the roll call the vote was yeas 50-Arnold, Bendl, Bennett, Blythe, Brinkley, Bronger, Burnett, Caldwell, Cawood, Clark, Curd, Cyrus, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Heleringer, Hines, Isler, Kenton, LeMaster, List, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, Overstreet, Petty, Priddy, Rapier, Rattliff, B. Richardson, Riner, Romines, Sale, Smith, Stone, Thomas, Turner, Van Horn, Wilborn, Williams, Worthington, Wright. Nays 14-Blair, Boswell, Brown, Crupper, Davenport, Dawahare, Haering, Hancock, Holbrook, Johnson, Little, P. Richardson, Robinson, Weinberg.

The motion that the House refuse to concur in the Senate Amendment No. 3 to **HB 968** was adopted.

Representative B. Richardson moved that the House refuse to concur in the following Senate Amendment No. 4 to **HB 968:**

Amend printed copy of **HB 968,** on page 5, line 19, by deleting the words following the word, "to" and on line 20, by deleting all the words before the word, "limestone".

On the roll call the vote was yeas 50-Arnold, Barrows, Bennett, Brinkley, Bronger, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Kenton, LeMaster, List, Little, Lundergan, Mann, Maynard, McBee, Overstreet, Petty, Rapier, Rattliff, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Stone, Thomas, Thomason, Turner, Van Horn, Williams, Worthington, Wright. Nays 13-Blair, Boswell, Brown, Davenport, Dawahare, Deskins, Haering, Hancock, Moberly, Noe, Smith, Weinberg, Yates.

The motion that the House refuse to concur in Senate Amendment No. 4 to **HB 968** was adopted.

Representative B. Richardson moved that the House refuse to concur in the following Senate Amendment No. 5 to **HB 968:**

Amend printed copy of **HB 968** on page 18, line 9, by deleting the words after "18.", and

by deleting lines 10 through 26 in their entirety, and

on page 19, by deleting lines 1 through 5 in their entirety and on line 6, by deleting "Section 19." and

by deleting lines 11 and 12 in their entirety.

On the roll call the vote was yeas 49-Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Caldwell, Clark, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Freibert, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, Lundergan, Mann, Maynard, McBee, McNutt, Moberly, Overstreet, Petty, Priddy, Rattliff, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Thomas, Turner, Van Horn, White, Worthington, Wright. Nays 16-Allen, Barrows, Brown, Cawood, Crupper, Davenport, Deskins, Farrow, Haering, Hancock, Johnson, Little, Plummer, Thomason, Weinberg, Wilborn.

The motion that the House refuse to concur in Senate Amendment No. 5 to **HB 968** was adopted.

Representative B. Richardson moved that the House refuse to concur in the following Senate Amendment No. 7 to **HB 968:**

Amend printed copy of **HB 968,** on page 5, line 12, by deleting the period after the word "Processed" and inserting in lieu thereof the following: "*except that no tax shall be imposed on the processing of ball clay.*"

On the roll call the vote was yeas 56-Arnold, Barrows, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Cawood, Clark, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Freibert, Head, Heleringer, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, Little, Lundergan, Mann, Maynard, McBee, Moberly, Noe, O'Brien, Overstreet, Petty, Priddy, Rattliff, B. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams. Nays 16-Allen, Brown, Burnette, Caldwell, Crupper, Deskins, Farrow, Haering, Hancock, McKinney, McNutt, Plummer, P. Richardson, Wilborn, Worthington, Wright.

The motion that the House refuse to concur in the Senate Amendment No. 7 to **HB 968** was adopted.

HB 974, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 1 to **HB 974:**

Amend printed copy of **HB 974,** on page 217, after line 20, by inserting the following: "Section 151. The effective date of this Act shall be July 1, 1982."

On the roll call the vote was yeas 57-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Dunn, Ellington, Farrow, Freibert, Hancock, Head, Hines, Holbrook, Isler, Kenton, Kidd, Little, Lundergan, Mann, McKinney, McNutt, Moberly, Noe, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Sale, Smith, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams. Nays 16-Caldwell, Dawahare, Donnermeyer, Foster, Fryman, Haering, Heleringer, Johnson, Layman, LeMaster, McBee, Overstreet, Riner, Wilborn, Wright, Yates.

Senate Amendment No. 1 to **HB 974** was adopted.

Representative B. Richardson moved that **HB 974,** as amended by the Senate, be passed.

On the roll call the vote was yeas 64-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Hancock. Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, Little, Lundergan, Mann, McBee, McKinney, McNutt, Moberly, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Sale, Smith, Stumbo, Thomason, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 3-Allen, Caldwell, Turner.

HB 974, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 974,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 395, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Noe moved that the House concur in the following Senate Amendment No. 1 to **HB 395:**

Amend printed copy of **HB 395** on page 7, line 7 by adding the following after line 7:

"Section 2. KRS 157.565 is amended to read as follows:

(1) Notwithstanding any statutory provisions to the contrary, the board of education of any district in any year in which the total school tax rate is less than the maximum rate supported by the district power equalization program [in that or the next subsequent school year], as provided for in KRS 157.555 and 157.560, shall have the authority to raise the maximum permissible local ad valorem tax rate as provided in KRS 160.470 to an amount [not to exceed ten cents ($.10) for the school year beginning on July 1, 1978,] and a rate not to exceed fifteen cents ($.15) [for the school year beginning July 1, 1979] after compliance with the following:

(a) The district board of education shall give notice of the proposed rate increase. Notice shall be given by causing to be published at least one (1) time in a newspaper of general circulation in the district, or in any other good faith manner if there is no such newspaper, the fact that such rate is being levied. Such advertisement shall state that the district board of education will meet at a place and on a date fixed in the advertisement, not earlier than one (1) week and not later than two (2) weeks from the date of the advertisement, for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposal.

(b) The order or resolution levying the school tax designated heretofore in this section shall go into effect not less than thirty (30) days [nor more than one hundred twenty (120) days] after its passage. If during the thirty (30) days immediately following the passage of the order or resolution a petition signed by a number of registered and qualified voters equal to twenty-five percent (25%) of the votes cast in the school district or combined taxing district levying the tax for the office receiving the greatest total vote at the last preceding presidential election is presented to the school board protesting against passage of the order or resolution, the order or resolution shall be suspended from going into effect for that district until after the election provided for in subsection (c) of this section. Each sheet of the petition shall contain the names and addresses of voters in but one (1) voting precinct and each sheet shall state the name, number, or designation of the precinct and, where applicable, the name, number or designation of the district or ward wherein the precinct is situated. Each voter shall sign his name in the same manner as he signed the current registration form described in KRS 116.155 or subsection (2) of KRS 116.045, as the case may be. If the signature is difficult to read, the voter shall, on the same line legibly write or print his name in the same fashion as he signed it. One or more persons shall verify by affidavit the signatures and addresses of the signers of the petition. The board or boards of registration in the county shall provide necessary and appropriate aid to the school board or boards so that the latter may make the determination of whether the petition contains enough signatures of qualified voters to suspend the effect of the order or resolution.

(c) Thereupon, if it has been determined that the petition contains enough valid signatures to suspend the effect of the order or resolution, the county board of elections shall submit to the voters of the school district in which a valid recall petition has been filed pursuant to subsection (b) of this section at the next regular May or November election the question as to whether the tax shall be levied. The question shall be so framed that the voter may by his vote answer, "for" or "against". If a majority of the votes cast in a district upon the question oppose its passage, the order or resolution shall not go into effect in that district. If a majority of the votes cast in a district upon the question favor its passage, the order or resolution shall go into effect in that district. In the event that the election is to be held in more than one (1) school district within a county the votes shall be counted separately.

(2) In the event a school district tax rate is not sufficient to qualify the school district for matching funds from the power equalization fund under the provisions of KRS 157.545 through 157.575 and the school district does not elect to levy an additional ad valorem tax as provided for in subsection (1) of this section, school districts levying any of the permissive taxes provided for in KRS 160.482 through 160.648 may in accordance with regulations of the state board for elementary and secondary education recommended by the superintendent of public instruction substitute revenue from such levy to the extent that such revenue would match the maximum rate supported by the power equalization program."; and

by deleting "Section 2" and inserting in lieu thereof "Section 3".

On the roll call the vote was yeas 60-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Cawood, Clark, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Fryman, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, McBee, McNutt, Moberly, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, P. Richardson, Robinson, Sale, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Wilborn, Williams, Worthington, Yates. Nays 3-Haering, Riner, Wright.

Senate Amendment No. 1 to **HB 395** was adopted.

Representative Noe moved that the House concur in the following Senate Amendment No. 2 to **HB 395:**

Amend printed copy of **HB 395,** on page 2, line 14, by inserting the following after "*(b)*"

"*an average daily attendance amount for each vocational unit and each exceptional children unit allotted shall be deducted. The amount so deducted shall be in conformity with the provisions of the biennial budget.*"

and removing the bracket at the end of line 14

Page 2, line 15, by deleting all brackets and new material on lines 15, 16, 17, 18, 19, 20, 21, 22, and by inserting bracket (/) after the word "allotted." on line 23

Page 5, line 9 by inserting the following after the word "times" "*the deduction specified in subsection 2*" and removing the bracket at the end of line 9

Page 5, lines 10 and 11 by removing all new material and brackets on lines 10 and 11 and inserting a bracket after "ance" on line 12

Page 5, line 14 by inserting the following after the word "times" "*the deduction specified in subsection 2*" and removing the bracket at the end of line 14

Page 5, lines 15 and 16 by removing all new material and brackets on lines 15 and 16 and inserting a close bracket (*/*) after "ance"

On the roll call the vote was yeas 64-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Cawood, Clark, Curd, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, Little, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Petty, Priddy, Rapier, Richards, P. Richardson, Robinson, Sale, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 1-Haering.

Senate Amendment No. 2 to **HB 395** was adopted.

Representative Noe moved that **HB 395,** as amended by the Senate, be passed.

On the roll call the vote was yeas 69-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Guenthner, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Richards, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 3-Burnette, Haering, Riner.

HB 395, as amended by the Senate, was passed.

Representative Noe moved that the House concur in the following Senate (Title) Amendment No. 3 to **HB 395:**

Amend printed copy of **HB 395,** Title, by amending the title to read as follows:

"AN ACT relating to the financing of education."

On the roll call the vote was yeas 67-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Hancock, Head, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Noe, Overstreet, Petty, Priddy, Rapier, Richards, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 2-Haering, Riner.

Senate (Title) Amendment No. 3 to **HB 395** was adopted.

Representative B. Richardson moved that the vote by which **HB 395,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 363, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 2 to **HB 363:**

Amend printed copy of the **HB 363,** on page 5, line 17, by inserting the following after line 17:

"*(8) The legislative program review and investigations committee shall notify the legislative research commission periodically of the committee's activities, and at any time a new investigation is to commence. Any investigation conducted by the legislative program review and investigations committee shall be deemed within its lawful duties and jurisdiction unless notified to the contrary by the legislative research commission.*"

On the roll call the vote was yeas 60-Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Clapp, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Foster, Hancock, Head, Hines, Isler, Kenton, Kidd, LeMaster, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Overstreet, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 12-Barrows, Burnette, Caldwell, Cawood, Clarke, Farrow, Freibert, Haering, Holbrook, Moberly, O'Brien, Wilborn.

Senate Amendment No. 2 to **HB 363** was adopted.

Representative B. Richards moved that **HB 363,** as amended by the Senate, be passed.

On the roll call the vote was yeas 71-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Hancock, Head, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, O'Brien, Overstreet, Petty, Rapier, Rattliff, Richards, B. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 2-Clarke, Haering.

HB 363, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 363,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 874, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Bronger moved that the House concur in the following Senate Amendment No. 1 to **HB 874:**

Amend printed copy of **HB 874,** on page 3, line 8, between "*place*" and ";" by inserting the words "*provided, however, that this subsection 3(a) shall not apply to that amount of insurance written and issued which exceeds the amount of the existing life insurance*"

page 3, line 11, by deleting "*forty-five (45)*" and inserting in lieu thereof "*thirty (30)*"

On the roll call the vote was yeas 68-Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, Lewis, Little, Lundergan, Mann, McBee, McKinney, Moberly, Noe, Overstreet, Petty, Priddy, Rapier, Richards, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 0.

Senate Amendment No. 1 to **HB 874** was adopted.

Representative Bronger moved that **HB 874,** as amended by the Senate, be passed.

On the roll call the vote was yeas 65-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Fryman, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Lewis, Little, Lundergan, Mann, McBee, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Richards, B. Richardson, Riner, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright. Nays 2-LeMaster, Rattliff.

HB 874, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 874,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 875, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendment thereto. Agreed.

Representative Hines moved that the House concur in the following Senate Amendment No. 1 to **HB 875:**

Amend printed copy of **HB 875,** on page 1, line 18, by deleting the words "*shall determine the operations of their*" and by substituting therefor: "*and shall have exclusive authority relating to investment of the assets of the funds, including contracting with investment advisors or managers to perform investment services as deemed necessary and prudent by the board*";

and by deleting all of line 19;

and on line 20, by deleting "*city legislative body*".

On the roll call the vote was yeas 70-Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, Moberly, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 1-Ellington.

Senate Amendment No. 1 to **HB 875** was adopted.

Representative Hines moved that **HB 875,** as amended by the Senate, be passed.

On the roll call the vote was yeas 72-Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clapp, Clark, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, List, Lundergan, Mann, Maynard, McBee, Moberly, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 0.

HB 875, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 875,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 969, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Amendments thereto. Agreed.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 1 to **HB 969:**

Amend printed copy of **HB 969,** on page 5, line 1, by placing a [following the word finance and by placing a] after the word repair

On the roll call the vote was yeas 67-Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Fryman, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 0.

Senate Amendment No. 1 to **HB 969** was adopted.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 2 to **HB 969:**

Amend printed copy of **HB 969,** page 4, line 24, after "*empowered,*" by inserting "*subject to the limitations contained in the biennial appropriations act.*"

On the roll call the vote was yeas 70-Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Petty, Priddy, Rapier, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

Senate Amendment No. 2 to **HB 969** was adopted.

Representative B. Richardson moved that the House concur in the following Senate Amendment No. 3 to **HB 969:**

Amend printed copy of **HB 969,** on page 1, line 11, by deleting the word "*resurfacing*"; and

on page 2, line 1, by deleting the word "*resurfacing*"; and on page 3, line 10 by deleting the word "*resurfacing*"; and

on page 3, line 15 by deleting the word "*resurfacing*"; and

on page 4, line 22 by deleting the word "*resurfacing*"; and

on line 26 by deleting the word "*resurface,*".

On the roll call the vote was yeas 55-Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Curd, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Guenthner, Hancock, Head, Heleringer, Hines, Isler, Kenton, Kidd, List, Lundergan, Mann, Maynard, McBee, McNutt, Morris, Noe, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 20-Blythe, Bruce, Clarke, Crupper, Cyrus, Davenport, Deskins, Farrow, Freibert, Hearing, Holbrook, Johnson, LeMaster, Lewis, Little, McKinney, Overstreet, Rattliff, Riner, Robinson.

Senate Amendment No. 3 to **HB 969** was adopted.

Representative B. Richardson moved that **HB 969,** as amended by the Senate, be passed.

Representative Hancock moved that the vote on Senate Amendment No. 3 to **HB 969** be reconsidered.

Recess

Representative B. Richardson moved that the House recess until 1:30 p.m.

On the roll call the vote was yeas 42-Bendl, Bennett, Blair, Blythe, Boswell, Brown, Bruce, Cawood, Clapp, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Dunn, Freibert, Fryman, Hancock, Head, Hines, Isler, Kenton, List, Lundergan, Mann, McBee, Morris, Noe, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Sale, Stone, Stumbo, Van Horn, Weinberg, White, Williams. Nays 26-Burnette, Caldwell, Clark, Clarke, Dawahare, DeFalaise, Farrow, Hearing, Heleringer, Holbrook, Johnson, LeMaster, Lewis, McNutt, Overstreet, Patrick, Rattliff, Riner, Robinson, Romines, Schmidt, Smith, Turner, Wilborn, Wright, Yates.

The motion that the House recess until 1:30 p.m. was adopted.

Speaker Kenton presiding.

Senate Message

The following letter was received in regard to **HB 66:** "The Senate has refused to recede from Senate Amendment No. 3 to **HB 66** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators McCuiston, Huff and O'Daniel."

The following letter was received in regard to **HB 109:** "The Senate has refused to recede from its amendment to **HB 109** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Sheehan, Powers, and Murphy."

The following letter was received in regard to **HB 344:** "The Senate has refused to recede from its amendment to **HB 344** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Huff, Moseley, and McGee.

The following letter was received in regard to **HB 462:** "The Senate has refused to recede from its amendments to **HB 462** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Wright, O'Daniel, and Bunning."

The following letter was received in regard to **HB 576:** "The Senate has refused to recede from its amendment to **HB 576** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Rose, Martin, and Berger."

The following letter was received in regard to **HB 643:** The Senate has refused to recede from its amendments to **HB 643** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Ford, Miller, and Rogers."

The following letter has been received in regard to **HB 858:** "The Senate has refused to recede from Senate Amendment No. 1 to **HB 858** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Quinlan, Stuart, and Karem."

The following letter has been received in regard to **HB 816:** "The Senate has refused to recede from its amendment to **HB 816** and is asking for reconsideration of this amendment by this Honorable Body."

The following letter has been received in regard to **HB 830:** "The Senate has refused to recede from Senate Amendment No. 2 to **HB 830** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Hays, Gibson, and Middleton."

The following letter has been received in regard to **HB 51:** "As requested, the Senate has receded from its amendment to **HB 51** and respectfully returns same to this Honorable Body."

The following letter has been received in regard to **SB 58:** "The Senate has refused to concur in the House Amendments No. 5, 7, and 3 to **SB 58** and respectfully requests this Honorable Body to recede from its amendments."

The following letter has been received in regard to **SB 14:** "The Senate has refused to concur in the House Amendment No. 1 and the title Amendment to Senate Bill No. 14 and respectfully requests this Honorably Body to recede from its amendment."

Orders of the Day (continued)

HB 969 (continued)

Representative Hancock moved that his motion to reconsider Senate Amendment No. 3 to **HB 969** be withdrawn. Agreed.

Representative Little moved that his second to the motion that Senate Amendment No. 3 to **HB 969** be reconsidered with withdrawn. Agreed.

Representative B. Richardson moved that **HB 969,** as amended by the Senate, be passed.

On the roll call the vote was yeas 58-Adams, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Brown, Bruce, Cawood, Clapp, Clark, Craddock, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Foster, Gray, Guenthner, Hancock, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Weinberg, Williams. Nays 28-Allen, Barrows, Blair, Bronger, Burnette, Caldwell, Clarke, Davenport, Farrow, Freibert, Fryman, Haering, Head, Heleringer, Johnson, Layman, LeMaster, Lewis, List, Patrick, Plummer, Rattliff, Riner, Schmidt, Turner, Van Horn, Wilborn, Yates.

HB 969, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 969,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that **SB 32** be taken from Orders of the Day for consideration of the House Amendment thereto. Agreed.

Representative B. Richardson moved that the House recede from the House Amendment to **SB 32.**

On the roll call the vote was yeas 72-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Bruce, Caldwell, Clapp. Clark, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, Layman, LeMaster, Lewis, List, Lundergan, Mann, Maynard, McBee, McKinney, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 2-Haering, Schmidt.

The motion that the House recede from the House Amendment to **SB 32** was adopted.

Representative B. Richardson moved that **SB 17** be taken from Orders of the Day for consideration of the House Amendments thereto. Agreed.

Representative Thomason moved that the House refuse to recede from the House Amendments to **SB 17.**

On the roll call the vote was yeas 71-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Clapp, Clark, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Layman, Lewis, List, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 1-Patrick.

The motion that the House refuse to recede from the House Amendments to **SB 17** was adopted.

Representative B. Richardson moved that **SB 41** be taken from Orders of the Day for consideration of the House Amendment thereto. Agreed.

Representative B. Richardson moved that the House refuse to recede from House Amendment to **SB 41.**

On the roll call the vote was yeas 72-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clapp, Clark, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, Layman, Lewis, List, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 0.

The motion that the House refuse to recede from the House Amendment to **SB 41** was adopted.

Representative B. Richardson moved that **SB 44** be taken from Orders of the Day for consideration of the House Amendments thereto. Agreed.

Representative B. Richardson moved that the House refuse to recede from the House Amendments to **SB 44.**

On the roll call the vote was yeas 71-Allen, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clapp, Clark, Crupper, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Mann, Maynard, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Wright, Yates. Nays 0.

The motion that the House refuse to recede from the House Amendments to **SB 44** was adopted.

Representative B. Richardson moved that **SB 247** be taken from Orders of the Day for consideration of the House Amendment thereto. Agreed.

Representative B. Richardson moved that the House recede from the House Amendment to **SB 247.**

On the roll call the vote was yeas 73-Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Kenton, Kidd, Layman, LeMaster, Lewis, Lundergan, Mann, McBee, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 1-Smith.

The motion that the House recede from the House Amendment to **SB 247** was adopted.

Representative B. Richardson moved that **SB 268** be taken from the Orders of the Day for consideration of the House Amendment thereto. Agreed.

Representative B. Richardson moved that the House recede from the House Amendment to **SB 268.**

On the roll call the vote was yeas 49-Allen, Barrows, Bendl, Bennett, Brinkley, Brown, Caldwell, Cawood, Clarke, Davenport, DeMarcus, Deskins, Donnermeyer, Freibert, Hancock, Heleringer, Hines, Isler, Kidd, Layman, LeMaster, List, Little, May, Maynard, McKinney, Moberly, Nett, Noe, Overstreet, Petty, Plummer, Priddy, Richards, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Smith, Stumbo, Thomas, Thomason, Turner, Van Horn, Wilborn, Williams, Worthington, Wright. Nays 39-Arnold, Blair, Blandford, Blythe, Boswell, Bronger, Bruce, Burnette, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Dunn, Ellington, Farrow, Foster, Fryman, Gray, Haering, Head, Holbrook, Holloway, Johnson, Lewis, Lundergan, Mann, McBee, McNutt, Morris, O'Brien, Patrick, Rapier, Rattliff, Riner, White, Yates.

The motion that the House recede from the House Amendment to **SB 268** was adopted.

Senate Message

The following letter was received in regard to **HB 51:** "The Senate requests that **HB 51** be returned, inasmuch as the bill has incorrect language in it and needs to be corrected by a Conference Committee, as requested by sponsor."

Orders of the Day (continued)

Representative B. Richardson moved that **HB 51** be returned to the Senate. Agreed.

Representative B. Richardson moved that **SB 366** be taken from Orders of the Day for consideration of the House Amendment thereto. Agreed.

Representative B. Richardson moved that the House recede from the House Amendment to **SB 366.**

On the roll call the vote was yeas 65-Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Layman, LeMaster, List, Little, Lundergan, Mann, Maynard, McBee, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Rapier, Rattliff, B. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Wilborn, Williams, Worthington, Wright, Yates. Nays 5-Allen, Bruce, Caldwell, Clapp, Thomas.

The motion that the House recede from the House Amendment to **SB 366** was adopted.

Recess

Representative B. Richardson moved that the House recess until 2:45 p.m.

On the roll call the vote was yeas 32-Arnold, Barrows, Bennett, Boswell, Crupper, Curd, Cyrus, Davenport, DeFalaise, Donnermeyer, Dunn, Ellington, Gray, Isler, Kenton, List, Mann, McBee, Moberly, O'Brien, Petty, Priddy, Rapier, B. Richardson, Riner, Romines, Stone, Thomason, Turner, Van Horn, Weinberg, Yates. Nays 0.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

SB 357 taken from Orders of the Day, the Rules of the House notwithstanding, and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved that the rules be suspended to allow consideration of the Floor Amendment No. 2 to **SB 357.** Agreed.

Representative B. Richardson moved the adoption of the following Floor Amendment No. 2 to **SB 357:**

Amend printed copy of **SB 357-FA,** on page 3, after line 21, by adding the following

Section 5. KRS 342.800 is amended to read as follows:

HB 532, *1980 regular session* [Acts 1976, ch. 160], and the other sections of KRS Chapter 342, shall be effective on *July 15, 1980* [July 1, 1976] for all claims based upon an injury or last exposure which occurs on or after that date; provided, however that in the event the federal coal mine health and safety act provides that claims covered by the provisions of KRS Chapter 342 may also be filed with a federal agency, then, in that event, the increase in benefits provided by **HB 532,** *1980 regular session* [chapter 78, 1972 Acts] shall not apply to any individual claim under KRS Chapter 342, if benefits are awarded to and are received by that particular claimant under such federal law. *For those claims, the benefits under this chapter shall be 66 ⅔'s percent of the employe's average weekly wage but not more than 75 percent of the average weekly wage of the state as determined in KRS 342.740.* [The benefits under the law in effect prior to the effective date of chapter 78, 1972 Acts shall apply to that claim and appropriate credit shall be given for any payments made in excess of the benefits provided for under this act]. Anyone who files a claim under this chapter for coal-workers pneumoconiosis or silicosis benefits must also file and pursue in good faith a claim under the federal coal mine health and safety act.

Section 6. Section 23, **HB 532,** 1980 regular session, is repealed.

On the roll call the vote was yeas 64-Adams, Arnold, Bendl, Bennett, Blair, Boswell, Brinkley, Brown, Cawood, Clapp, Clark, Clarke, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Fryman, Gray, Guenthner, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Noe, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 7-Blythe, Burnette, Caldwell, Ellington, Freibert, Holloway, Patrick.

Floor Amendment No. 2 to **SB 357** was adopted.

Representative B. Richardson moved that **SB 357,** as amended, be passed.

On the roll call the vote was yeas 67-Adams, Arnold, Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Cawood, Clapp, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Dunn, Farrow, Foster, Gray, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Mann, May, McBee, Moberly, Morris, Noe, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Sales, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 12-Allen, Blythe, Burnette, Ellington, Freibert, Fryman, Guenthner, Haering, Holloway, McNutt, Plummer, Rattliff.

SB 357, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 357,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Clarke filed the Conference Committee Report on **HB 931** and requested a Free Conference Committee be appointed to consist of the same members.

Representative Clarke moved that the House accept the following Conference Committee Report on **HB 931:**

"The Conference Committee on **HB 931** has met as provided in the Rules of the House and the Senate, and has failed to reach agreement. Therefore, the committee respectfully requests the appointment of a Free Conference Committee on House Bill 931."

On the roll call the vote was yeas 80-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Crupper, Curd, Cyrus, Davenport, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

The conference Committee Report on **HB 931** was adopted.

The Chair appointed the same members to the Free Conference Committee on **HB 931.**

The Speaker announced the Senate has receded in its Amendment to **HB 51.**

Representative B. Richardson moved that a Conference Committee be appointed on **HB 66.** The Speaker announced this would be done at a later time.

Representative B. Richardson moved that **SB 58** be taken from Orders of the Day for consideration of the House Amendments thereto. Agreed.

Representative B. Richardson moved that the House refuse to recede from the House Amendment to **SB 58.**

On the roll call the vote was yeas 67-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Brown, Bruce, Burnette, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Hancock, Head, Heleringer, Hines, Isler, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, Maynard, McBee, Moberly, Noe, O'Brien, Patrick, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Sale, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Williams, Worthington, Wright, Yates. Nays 3-Caldwell, Johnson, Morris.

The motion that the House refuse to recede from the House Amendments to **SB 58** was adopted.

Representative B. Richardson moved that **SB 14** be taken from Orders of the Day for consideration of the House Amendment thereto. Agreed.

Representative Heleringer moved that the House refuse to recede from the House Amendment to **SB 14.**

On the roll call the vote was yeas 41-Allen, Arnold, Bendl, Blythe, Burch, Burnette, Caldwell, Crupper, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Hancock, Heleringer, Hines, Holbrook, Isler, Kidd, Layman, Lundergan, Mann, Maynard, Moberly, Patrick, Plummer, Rapier, P. Richardson, Riner, Robinson, Sale, Schmidt, Stone, Stumbo, Thomas, Turner, Wilborn, Worthington. Nays 33-Adams, Bennett, Blandford, Boswell, Bronger, Brown, Clark, Curd, Cyrus, Davenport, Gray, Head, Johnson, Kenton, LeMaster, Lewis, List, Little, McBee, McNutt, Morris, Nett, Overstreet, Rattliff, Richards, B. Richardson, Romines, Thomason, Van Horn, Weinberg, Williams, Wright, Yates.

The motion that the House refuse to recede from the House Amendment to **SB 14** was adopted.

The following Conference Committees were appointed by the Speaker:

HB 66: Representative Mann, Chairman; Representatives Thomason and Robinson.

HB 830: Representative Deskins, Chairman; Representatives Cawood, Lewis, Stumbo, and Brinkley.

Speaker Pro Tempore Hancock presiding.

SJR 33 taken from Orders of the Day, rules of the House notwithstanding, and ordered read at length for the third time. Representative B. Richardson moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Weinberg moved the adoption of the following **SJR 33:**

SJR 33, A JOINT RESOLUTION advising the Department of Finance of the intent of the Legislature in the creation of the Coal Producing County Development Fund.

WHEREAS, a controversy has arisen over the use of interest accrued upon severance tax money in the Coal Producing County Development Fund; and

WHEREAS, conflicting opinions have been expressed; and

WHEREAS, the Legislature desires to clarify its intent;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Department of Finance be advised that the intent of the Legislature in enacting KRS 42.300 was that the interest accrued on severance tax money in the Coal Producing County Development Fund shall be spent in the same manner as funds allocated to the board, and shall not accrue to the credit of the State's General Expenditure Fund.

On the roll call the vote was yeas 71-Adams, Arnold, Barrows, Bennett, Blair, Boswell, Brinkley, Brown, Bruce, Burch, Burnette, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, LeMaster, List, Little, Lundergan, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 2-Blythe, Caldwell.

SJR 33 was adopted and the title agreed to.

Representative B. Richardson moved that the vote by which **SJR 33** was adopted be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that all remaining bills in Orders of the Day be referred to the Committee of origin. Agreed.

Representative B. Richardson moved that the rules be suspended to consider Citations and Resolutions of an honorary nature only. Agreed.

Representative Blair moved the adoption of the following Legislative Citation No. 92:

The House of Representatives of the Commonwealth of Kentucky hereby commends Head Football coach Walter Brugh of the Paintsville High School, Paintsville, Kentucky on your outstanding coaching record. Your superb twenty-nine years of coaching without a losing season is noteworthy and reflects your hard work, enthusiasm, school loyalty and dedication. "Coach of the East All-State Team" is a most complimentary honor bestowed upon you and qualifies you for the East-West Charity Football Game to be played at the Fair Grounds Stadium, Louisville, Kentucky on June 13, 1980. Your contribution to charity organizations is a great act of benevolence and compassion. Your philanthropic spirit and cooperative attitude in making a brighter tomorrow for others is a genuine christian attribute. This prestigious body salutes and applauds you for your past success and best wishes are extended for your future endeavors. (Sponsored by Representative Blair)

Agreed.

Representative Blair moved the adoption of the following Legislative Citation No. 93:

The House of Representatives of the Commonwealth of Kentucky hereby commends Mr. Bill Duke and Dr. Ken Cottrell of Paintsville, Kentucky for your humanitarian spirit unselfishly displayed in saving the life of a nearby neighbor, Mr. Larry Gray on Barnett's Creek, route 460. Extreme weather conditions and hazardous and ice ladened roads resulted in Larry's accident — truck submerged and Larry was rendered semi-conscious and immobile. Your immediate response, deep compassion, self-sacrifice in the midst of great perils, providing first aid, and ambulance service were a great Christian demonstration. You went beyond the call of duty that has endeared you to all the citizens of Barnett's Creek and Paintsville, Kentucky. State Police Trooper, Robert Hawkins investigating officer was admirably impressed with your outstanding concern and devotion to duty. The intrepid spirit, supreme sacrifice, long and tireless hours that you invested are laudable and a great tribute to you. This body salutes you for your benevolent spirit and excellent concern for others. (Sponsored by Representative Blair)

Agreed.

Representative LeMaster moved the adoption of the following Legislative Citation No. 94:

The House of Representatives of the Commonwealth of Kentucky hereby recognizes with deep compassion the passing of the late Mrs. Diana Diecks Roberts, wife of Commonwealth's Attorney Larry S. Roberts of Fayette County, Kentucky. Mrs. Roberts, a former classroom teacher, influenced and inspired the lives of thousands of young people. Her contribution to education will serve as a lasting tribute to her memory. Her christian attributes and devotion to her church were exemplified in serving as a deacon and member of the choir at Second Presbyterian Church. Her benevolent spirit will always be cherished by those who loved her. This body mourns her passing and extends our deepest sympathy to the family. (Sponsored by Representative Kenton)

Agreed.

Representative Heleringer moved the adoption of the following Legislative Citation No. 95:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Seventh and Eighth Grade Basketball Team and excellent coach Eddie Wright of the St. Martha School, Louisville, Kentucky for winning the 1979-80 Catholic School Athletic Association (CSAA) Title. This proud team merited highest acclaim in winning this coveted recognition. This prestigious body commends you and Coach Wright on your victory and extends to you our best wishes. (Sponsored by Representative Heleringer)

Agreed.

Representative Johnson moved the adoption of the following Legislative Citation No. 96:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Owensboro Basketball Team and coach, Mr. Bobby Watson and staff, on winning the 63rd Annual Boys' State High School Basketball Tournament. Your brilliant 34-2 record culminating in your successful bid for the coveted state tournament championship trophy clearly validates your claim to the number one ranking among Boys' High Basketball Teams in Kentucky for the 1979-80 season. Through your unselfish dedication and cooperative efforts, demonstrated so forcefully by the teamwork you displayed during the recent State Tournament, you have done your part helping to perpetuate the great winning tradition of Owensboro High School Basketball Teams. This body extends to Coach Watson, each member of his staff and to each team member, our most sincere best wishes for the future. (Sponsored by Representative Johnson)

Agreed.

Representative Wright moved the adoption of the following Legislative Citation No. 97:

The House of Representatives of the Commonwealth of Kentucky hereby commends the Doss "Dragons" Basketball Team and coach, Mr. Leon Mudd and staff, on your outstanding achievement of advancing to the Championship Game of the 63rd Annual Boys' High School Basketball Tournament. While the final shot at the basket could have gained immortality for the team went awry, you can hold your heads high for your courageous efforts and the successes you earned over more highly rated opponents. The results of your efforts clearly demonstrate once again that dedication, perseverance and hard work can overcome great odds. This body extends to Coach Mudd and to each team member our most sincere best wishes for the future. (Sponsored by Representative Wright)

Agreed.

Representative P. Richardson moved the adoption of the following Legislative Citation No. 99:

The House of Representatives of the Commonwealth of Kentucky hereby extends our sincere thanks and ardent appreciation to Eddie Cowherd, Mike White, Scotty Willard, Jimmy Sams, Freddy Sams, Roger Martin and Richard Blankenship, employees of the State Journal, City of Frankfort, for your outstanding stewardship demonstrated in your preparation of our Legislative Record. Certainly your determination and dependability companioned by long hours and constant labor are emblematic of your fine technique of successful production. Even though the time element was a few hours sandwiched between adjournment and convening, it in no way alters the quality of your performance. You have provided an indispensable service for us that enabled us to structure greater efficiency. We thank you and this body expresses our sincere gratitude. (Sponsored by Representative Hancock)

Agreed.

Speaker Kenton presiding.

The Speaker appointed the following Conference Committees:

HB 109: Representative Wilborn, Chairman; Representatives Bennett and Isler.

HB 576: Representative Worthington, Chairman; Representatives Blandford and Stone.

HB 643: Representative P. Richardson, Chairman; Representatives DeFalaise and Blythe.

HB 462: Representative Donnermeyer, Chairman; Representatives Richards and Hancock.

HB 858: Representative Dunn, Chairman; Representatives Bendl and Holloway.

HB 344: Representative Boswell, Chairman; Representatives Johnson and Blair.

Senate Message

The following letter has been received in regard to **HJR 40:** "The Senate has refused to recede from the Senate Amendment to **HJR 40** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senator O'Daniel, Senator Ford, and Senator Berger."

The following letter has been received in regard to **HB 757:** "The Senate has refused to recede from Senate Amendment No. 1 to **HB 757** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Wright, Bailey, and Rogers."

The following letter has been received in regard to **HB 968:** "The Senate has refused to recede from the Senate Amendments to **HB 968** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Martin, Gibson, and Weisenberger."

The following letter was received in regard to **HB 51:** "The Senate has refused to recede from the amendment to **HB 51** and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Allen, O'Daniel, and Garrett."

Speaker Pro Tempore presiding.

Representative Thomas moved the adoption of the following Legislative Citation No. 98:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Marion County High "Lady Knights" Basketball Team and your excellent coach Ms. Beverly Roby for winning the Girls' Fifth Region Basketball Tournament. This victory qualified you to advance to the "Girls Sweet 16"

State Tournament to be held in Eastern Kentucky University, Richmond, Kentucky, March 19-22, 1980. Your superb record reflects your hard work, great team effort and a competitive spirit. Your superior performance has bestowed distinction upon your school, community and the Commonwealth of Kentucky. This prestigious body salutes the team, coaching staff and cheerleaders for your magnificient representation in Girls' athletic events. (Sponsored by Representative Thomas)

Agreed.

Representative May moved the adoption of the following Legislative Citation No. 100:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates and honors the Hazel Green Academy of Hazel Green, Kentucky, Mr. George W. Buchanan, Director, and Mr. Albert B. Osborne, Principal, on its One Hundredth Anniversary. The school has made a great contribution to the city, state and nation. Your ultimate objective has been far-reaching and provides quality education that embraces high moral, spiritual and social values. You have inspired and influenced the lives of thousands of young people by your dedication and outstanding leadership. A century of progress has been achieved through you high level of performance. You have merited nationwide support from individuals, churches and organizations because of your laudable teachings. Your humanitarian spirit has been well demonstrated through opportunities you provided students regardless of their financial resources. This body salutes and commends you for your educational contribution to the Commonwealth of Kentucky. (Sponsored by Representative May)

Agreed.

Representative Weinberg moved the adoption of the following Legislative Citation No. 101:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Magoffin County Hornets Basketball Team and your fine coach, Mr. A. B. Conley, for your excellent performance in the fifty-seventh District Tournament. This proud achievement was made possible by the obvious talent, hard work and determination of the players and coaching staff. We commend you for your great team effort and the high level of competition you displayed, as you advance to the Regional Tournament. We extend best wishes for your future endeavors, and we look forward to a bright future for Magoffin County High School athletics. (Sponsored by Representative Weinberg)

Agreed.

Representative Haering moved the adoption of the following Legislative Citation No. 102:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Moore High School Mustangs Basketball Team and your excellent coach, Mr. Tom Finnegan and staff, for your outstanding achievement in winning the Boys' Seventh Regional Basketball Tournament. Your superb record of 31-3 reflects great team effort, hard work and a spirit of cooperation. We commend your principal Mr. Luther McDowell and faculty for your great influence, support and motivation given you during the school year. As the state's toprated team, we are very proud of you for you have brought distinction to your school and community. This body applauds you and extends to you our best wishes for continued success. (Sponsored by Representative Haering)

Agreed.

Representative Haering moved the adoption of the following Legislative Citation No. 103:

The House of Representatives of the Commonwealth of Kentucky hereby commends the supporters of Moore High School of Jefferson County, Kentucky for the dignified and self-disciplined manner in which you represented the school. The meeting held Tuesday, January 28, 1980, is particularly noteworthy in that it involved approximately five thousand people and yet remained disciplined and orderly, as did the other demonstrations in support of the school. The administration, faculty, staff, students, parents and citizens are to be congratulated. The fine conduct demonstrated proved to be a sustaining defense in the school's survival. The proposed closing of Moore, Doss and Waggener Schools needed dynamic well-controlled and well-disciplined people to help foster better school-community relationship by improving lines of communcation, sincere cooperation and mutual understanding. The dignified protest of good conduct and excellent attitude highly impressed the Board of Education and the Task Force and helped solidify a better relationship between the school and community. This body, The House of Representatives, extends our sincere congratulations to Moore High School. (Sponsored by Representative Haering)

Agreed.

Representative McNutt moved the adoption of the following Legislative Citation No. 104:

The House of Representatives of the Commonwealth of Kentucky hereby commends the Business Colleges and Schools for your excellent contribution in providing educational opportunities for the youth of our State. The various disciplines that provide a desirable nucleus for supporting and promoting government, business and commercial enterprises are far-reaching and we hope will help to turn our economy around. The role of the Draughon Business College, Paducah, Kentucky, plays in molding character, providing trained and skilled operators, technicians and varied vocational aptitudes lend themselves to improve the status of economic uncertainties. We are very proud of your dedication and contribution that you are making to the Business Schools and Colleges of the Commonwealth of Kentucky. The outstanding leadership of our schools and colleges, the accomplishments of goals, objectives and achievements, enhance the great American tradition of a sound educational program for all Americans. (Sponsored by Representative McNutt)

Agreed.

Representative Nett moved the adoption of the following Legislative Citation No. 105:

The House of Representatives of the Commonwealth of Kentucky hereby commends the Government Law Center, University of Louisville for the Bill Analysis and Amendment Watch during the 1980 General Assembly. Your continuous support in assisting the Jefferson County Delegation, in the House and Senate, is appreciated overwhelmingly. We express our sincere thanks for your hard work and constant vigil. (Sponsored by Representative Nett)

Agreed.

Representative Turner moved the adoption of the following Legislative Citation No. 106:

The House of Representatives of the Commonwealth of Kentucky hereby honors the Viet Nam Veterans who served and fought on foreign soils. We extend to this group of dedicated and deserving soldiers our highest esteem for the courage and American patriotism you have bestowed on the people of the Commonwealth of Kentucky and our great nation. Words cannot express adequately our appreciation for your unselfish, heroic and courageous commitment. You were willing to give the ultimate gift—your life, to fight for your country. This nation was built on and stands for Godliness, honesty and freedom for all. Your integrity is most deserving of a bonus of equal merit. It would be a small token for the large contribution the Veterans have made, and we salute you for your promotion of humanitarianism. (Sponsored by Representative Turner)

Agreed.

Representative Patrick moved the adoption of the following Legislative Citation No. 107:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Jeffery Fryman, age twenty-one, a senior at the University of Kentucky, son of Representative Richard Fryman, as the 1980 Kentucky Golden Gloves Welterweight Champion and the 1976 Tennessee Golden Glove Champion. Trained by your distinguished father, who was a former Golden Glove Champion and super Professional Fighter, is a great tribute to you and to the Boxing Profession. These titles reflect hard work, a competitive spirit and determination for an athletic event that demands physical fitness, agility and stamina. Your tireless effort and great ambition have proven most rewarding. This prestigious body salutes and applauds you for this honor and extends best wishes as you pursue your athletic ambitions and may it offer you the greatest of challenges in your future endeavors. (Sponsored by Representative Patrick)

Agreed.

Representative DeFalaise moved the adoption of the following legislative Citation No. 108:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Franklin County High School Boys' Basketball Team, "Franklin County Flyers," and your fabulous coach, Mr. David

Lee and staff, for a super dramatic season. Your laurel packed performance resulted in a banner year for you. Your outstanding victories for a 30-5 record included the District Championship, the Eleventh Regional Championship and participation in the Boys' "Sweet Sixteen" State Tournament held in Louisville, Kentucky March 26-29, 1980. You attained an ultimate objective, not reached since 1967, that of participating in the State Tournament, the second time in the school's history. Your school, community and the Commonwealth of Kentucky are proud of you for you have demonstrated that great success is the result of dedication, team effort and self-sacrifice. This body salutes you and extends our very best wishes. (Sponsored by Representative Hancock)

Agreed.

Representative Richards moved the adoption of the following Legislative Citation No. 109:

The House of Representatives of the Commonwealth of Kentucky hereby commends the Bowling Green-Warren County Chamber of Commerce for its untiring efforts toward economic development in the City and County. The Chamber of Commerce has been instrumental in the tremendous growth and development of the city and county. This body further commends Harold Huffman, the Executive Vice-President of the Bowling Green-Warren County Chamber of Commerce for serving more than twenty years in that office. Under Mr. Huffman's leadership the Chamber has become one of the truly outstanding Chambers in the country. This body commends you for your excellent service and contribution to your community. (Sponsored by Representative Richards)

Agreed.

Introduction of Resolutions

HR 147, by Representative Deskins: A RESOLUTION offering congratulations to Representative Jim LeMaster.

HR 148, by Representative Hancock: A RESOLUTION honoring the Franklin County Flyers Boys Basketball Team.

Representative Kidd moved the adoption of the following **HR 144:**

HR 144, A RESOLUTION honoring Jesse Owens, Olympic track star, who died early March 31, 1980 at the age of 66.

WHEREAS, Jesse Owens was born September 12, 1913, the son of a sharecropper in Oakville, Alabama; and

WHEREAS, Jesse Owens began his fantastic running career at the age of 9; and

WHEREAS, his dedication and ability in track events earned him a scholarship to Ohio State University where he became known as the "Buckeye Bullet"; and

WHEREAS, in 1936 at the age of 22 he represented the United States of America at the Olympic Games in Munich, Germany, where he won four gold medals, making him a national hero; and

WHEREAS, Jesse Owens' fine sportmanship and gentlemanly qualities earned him the respect and devotion of countless Americans; and

WHEREAS, the courage and bravery he showed while facing his recent illness served as a symbol to all Americans;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives extends its condolences to the family of this great American.

Section 2. That the House of Representatives adjourns in honor of Jesse Owens this day, April 1, 1980.

Section 3. That the Clerk of the House of Representatives be directed to send a copy of this resolution to his family.

HR 144 was adopted by voice vote.

Representative Kidd requested a roll call for co-sponsors of **HR 144.** Agreed.

The following members requested that their names be added as co-sponsors of **HR 144:** Bennett, Blair, Blandford, Boswell, Bronger, Caldwell, Clark, Cyrus, Davenport, DeFalaise, Donnermeyer, Dunn, Foster, Freibert, Fryman, Guenthner, Haering, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Kidd, Lewis, Little, McBee, McNutt, Overstreet, Priddy, Richards, Riner, Romines, Sale, Stone, Thomas, Turner, Van Horn, Wright, Yates.

Representative Yates moved the adoption of the following **HR 140:**

HR 140, A RESOLUTION honoring the Butler High School Bears Football Team for winning the AAAA High School Football Championship in its 1979 season.

WHEREAS, the Butler High School Football Team had an outstanding season this past fall; and

WHEREAS, the diligent efforts of Coach Joe Hood and his coaching staff produced a winning team of high caliber; and

WHEREAS, the Butler High School Bears' endeavors earned them the devotion of their fans and the respect of their opponents across the Commonwealth; and

WHEREAS, the Butler High School Bears Football Team won the AAAA High School Football Championship by defeating Henry Clay High School on November 24, 1979;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives honors the Butler High School Bears Football Team in recognition of its achievements in the past year and adjourns this day, Saturday, March 29, 1980, in honor of its championship victory.

Section 2. That the Clerk of the House of Representatives be directed to send a sufficient number of copies of this resolution to Coach Joe Hood for distribution to the team and its coaching staff.

HR 140 was adopted by voice vote.

Representative Boswell moved the adoption of the following **HR 141:**

HR 141, A RESOLUTION honoring the Union County Braves on their victory over the Franklin County Flyers in the State Basketball Tournament.

WHEREAS, the Union County High School Braves Basketball Team are the 1980 champions of the Second Region; and

WHEREAS, the Union County Braves, led by All-State Guard Dennis Johnson, have a 28 win - 4 loss record; and

WHEREAS, the Union County Braves defeated the Franklin County Flyers in a thrilling overtime by a score of 52-51 in the quarter finals of the State High School Basketball Tournament;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House congratulates and honors the Union County Braves and Coach Tris Kington for their victory over Franklin County High School in the Sweet 16 State High School Basketball Tournament on March 28, 1980.

Section 2. That the Clerk forward a copy of this resolution to the Union County High School Braves and Coach Kington.

HR 141 was adopted by voice vote.

Representative Boswell moved the adoption of the following **HR 148:**

HR 148, A RESOLUTION honoring the Franklin County Flyers Boys Basketball Team.

WHEREAS, the Franklin County Flyers Boys Basketball Team attained the status of Champions of the 11th Region by compiling an impressive 29-4 record; and

WHEREAS, the Flyers have been highly ranked throughout the season in basketball polls, attaining the rank of Number One in the Litkenhous Ratings and Number Four by the Associated Press; and

WHEREAS, this powerful Franklin County team and its coaching staff have gained the respect of its opponents and the devotion of its fans by capturing both the Mid-State Conference and Ashland Invitational Tournaments; and

WHEREAS, the Flyers won 14 games in a row and represented the Eleventh Region in the Kentucky State High School Boys Basketball Tournament;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives honors and commends the Franklin County Flyers Boys Basketball Team for its notable achievements during this basketball season.

Section 2. That the Clerk of the House of Representatives is directed to forward sufficient copies of this Resolution to Franklin County Basketball Coach David Lee for distribution to the members of the team.

HR 148 was adopted by voice vote.

Representative DeFalaise moved the adoption of the following **HR 136:**

HR 136, A RESOLUTION honoring the Reverend John C. Chenault.

WHEREAS, the Reverend John C. Chenault has opened the sessions of the House of Representatives from time to time by giving the invocation since the 1956 Regular Session of the General Assembly; and

WHEREAS, for the previous 17 years the Reverend John C. Chenault has had the responsibility for organizing the ministers of the churches of Frankfort for the purpose of opening the daily sessions of the General Assembly with prayer; and

WHEREAS, Reverend Chenault soon will be semiretiring after more than 25 years in the ministry in Frankfort and almost 48 years in total service in the ministry;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House expresses its appreciation to the Reverend John C. Chenault for the excellent work he has done in organizing the ministers of the churches of Frankfort in opening the daily sessions of the House with prayer; and that the House values his warm association over the last quarter of a century and wishes him Godspeed.

Section 2. That when the House adjourns Friday, March 28, 1980, it does so in honor of the Reverend John C. Chenault..

Section 3. That copies of this resolution be sent to the Reverend John C. Chenault and to the members of his immediate family.

HR 136 was adopted by voice vote.

Representative Richards moved the adoption of the following **HR 133:**

HR 133, A RESOLUTION recognizing March 26, 1980, as Bowling Green - Warren County Day.

WHEREAS, the beautiful city of Bowling Green lies on the banks of the Barren River in Warren County; and

WHEREAS, Warren County has long been noted as a prosperous, progressive, and productive county of this Commonwealth; and

WHEREAS, Bowling Green is the business, cultural and educational center of this area; and

WHEREAS, Bowling Green and Warren County are a great asset to the Commonwealth of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this body recognizes March 26, 1980, as Bowling Green - Warren County Day.

Section 2. That the Clerk forward a copy of this resolution to the Mayor of Bowling Green and the County Judge/Executive of Warren County.

HR 133 was adopted by voice vote.

Representative Johnson moved the adoption of the following **HR 143:**

HR 143, A RESOLUTION honoring Owensboro High School for winning the 1980 State High School Basketball Tournament.

WHEREAS, the Owensboro High School Basketball Team won the most prestigious high school basketball tournament in the United States; and

WHEREAS, the dedicated efforts of the players, Coach Bobby Watson and his staff produced a record of 34 victories and only 2 defeats during the past season; and

WHEREAS, this was the third "Sweet Sixteen" title captured by Owensboro High School and the second State Championship achieved during the tenure of Coach Bobby Watson; and

WHEREAS, the House of Representatives wishes to recognize the best high school basketball team in the Commonwealth today;

NOW, THEREFORE

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives honors the Owensboro High School Basketball Team in recognition of its achievements in the past year and adjourns this day, Monday, March 31, 1980, in honor of its championship victory.

Section 2. That the Clerk of the House of Representatives be directed to send a sufficient number of copies of this resolution to Coach Bobby Watson for distribution to the team and its coaching staff.

HR 143 was adopted by voice vote.

Representative B. Richardson moved the adoption of the following **HR 147:**

HR 147, A RESOLUTION offering congratulations to Representative Jim LeMaster.

WHEREAS, the Gentleman from Fayette-72, the Honorable Jim LeMaster, is no stranger to the court, be it of law, of basketball or of winning the heart of a lady; and

WHEREAS, the said gentleman apparently has applied his considerable talents in this regard to Ms. Drue Parker, having wooed and won her heart and hand; and

WHEREAS, the great lovers of history, among them John Smith and Pocahontas, Romeo and Juliet, King Edward and Mrs. Simpson, Anthony and Cleopatra, and Kermit and Miss Piggy, were but as nodding acquaintances relative to the romance of Jim LeMaster and Drue Parker; and

WHEREAS, it behooves the House of Representatives, most members of which are long past such an accomplishment, to pause and admire the effortless grace by which Representative LeMaster has achieved one of life's major adventures, betrothal to his lady fair;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That Representative Jim LeMaster, the Honorable Gentleman from Fayette-72, be and he is hereby accorded the admiration, esteem, congratulations and best wishes of the House of Representatives upon the occasion of his engagement to Ms. Drue Parker.

HR 147 was adopted by voice vote.

Representative Smith moved the adoption of the following Legislative Citation No. 110:

The House of Representatives of the Commonwealth of Kentucky hereby commends the Bullitt Central High School Speech Team and your excellent coach, Miss Barbara Elliott, winner of the Louisville

Regional Speech Contest, qualifying you for the Kentucky High School Speech League State Tournament to be held April 18-19, 1980 in Lexington, Kentucky at the University of Kentucky. We salute you and applaud you for the representation of dignity and pride you have bestowed on your school as state competitors. Members of the Speech Team are: Lauren Howard, Dana Alcorn, Angie Watkins, Denise Breeden, Bonnie Watkins, Jason Lee, Jan Firkins, Timmy Price, Beth Moorman, Nan Stewart, Veronica Sullivan, John Bickers, Kevin Brown, Gwyn Taylor, Susan Eagle, Dawn Gaines, Barbara Powell, Doug Buchman, Anita Sexton, Angie Leasor, Shannon Kabler, Kathy Compton. This body extends best wishes for future success. (Sponsored by Representative Smith)

Agreed.

Representative Van Horn moved the adoption of the following **HR 145:**

HR 145, A RESOLUTION honoring the memory of Winston Noplis, Jr., former president of Local 10372 of the Communication Workers of America, AFL-CIO, in Lexington, Kentucky.

WHEREAS, Winston Noplis, Jr., suffered an untimely death on June 13, 1979, at the age of 45; and

WHEREAS, Mr. Noplis was a loving family man and concerned citizen of his community as well as an earnest and dedicated labor leader; and

WHEREAS, as President of Union Local 10372 of the Communication Workers of America of the AFL-CIO he strove for progressive legislation for the working men of this state;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives honors the memory of Winston Noplis, Jr. for his dedication in endeavors for the working men of Kentucky.

Section 2. That the Clerk of the House of Representatives be directed to send a copy of this resolution to Winston Noplis, Jr.'s wife, Mrs. Pat Noplis of Lexington, Kentucky.

HR 145 was adopted by voice vote.

Speaker Kenton presiding.

Senate Message

The following letter has been received in regard to **SB 102:** "The Senate has concurred in the House Amendments No. 6, 2, 8, 14, and 5 and has refused to concur in the House Amendments Nos. 18 and 20 to Senate Bill 102, and is respectfully requesting this Honorable Body to recede from amendments 18 and 20."

The following letter has been received in regard to **HB 631:** "The Senate has refused to recede from Senate Amendment No. 2 on House Bill 631 and is requesting that a conference committee be appointed. The Senate has appointed the following members to serve on the conference committee: Senators Trevey, Easterly, and Garrett."

Orders of the Day (continued)

The Speaker appointed the following Conference Committees:

HB 757: Representative Little, Chairman; Representatives Cyrus and Hancock.

HJR 40: Representative Craddock, Chairman; Representatives Smith and Richards.

HB 968: Representative Jones, Chairman; Representatives Worthington and Blythe.

HB 51: Representative Hines, Chairman; Representatives Wilborn and Richards.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 32, HB 450, HB 62, HB 38, HB 71, HB 59, HB 604, HB 532, HB 498, HB 488, HB 491, HB 472, HB 469, HB 392, HB 376, HB 235, HB 140, HB 84** and **HB 14** had been examined and found correctly enrolled. Said bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 32, HB 450, HB 62, HB 38, HB 71, HB 59, HB 604, HB 532, HB 498, HB 488, HB 491, HB 472, HB 469, HB 392, HB 376, HB 235, HB 140, HB 84, and **HB 14** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

The Speaker appointed the following Conference Committee:

HB 631: Representative Weinberg, Chairman; Representatives Sale and Hancock.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 1, SB 18, SB 20, SB 25, SB 26, SB 31, SB 59, SB 79, SB 108, SB 245, SB 266, SB 280, SB 292, SB 297, SB 339,** and **SB 389** had been examined and found correctly enrolled. Said bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day (continued)

Representative Mann reported the Conference Committee on **HB 66** could not agree and requested the same members be appointed to a Free Conference Committee.

Representative Mann moved that the following Conference Committee report be accepted:

"The Conference Committee on **HB 66** did not concur - request Free Conference Committee."

Agreed.

The Speaker appointed the same members to the Free Conference Committee on **HB 66.**

Representative Dunn reported the Conference Committee on **HB 858** could not agree and requested a Free Conference Committee be appointed.

Representative Dunn moved the adoption of the following Conference Committee Report on **HB 858:**

"The Conference Committee on **HB 858** has met and we are unable to reach an agreement on **HB 858.** We request of the respective bodies that this Conference Committee be dissolved and that the same be reappointed as a Free Conference Committee for the purpose of rewriting Senate Amendment No. 1."

Agreed.

The Speaker announced the same members will serve on the Free Conference Committee.

Representative Heleringer moved the adoption of the following Legislative Citation No. 111:

The House of Representatives of the Commonwealth of Kentucky hereby honors Mrs. Margie Montgomery on the occasion of the Tenth Anniversary of the Founding of Right to Life of Louisville. The Kentucky General Assembly commends and honors Mrs. Margie Montgomery who, for ten years has ably, courageously and compassionately led the fight to preserve, protect and defend the dignity and value of all human life, regardless of age, race, creed, sex or state of biological development. With our gratitude and respect, we acknowledge and commend your outstanding leadership and dedication in the noble struggle to restore legal protection to our innocent unborn brothers and sisters and to our defenseless elderly citizens. With our continued selfless efforts, we are sure that the cause to protect the civil rights of all human beings will ultimately prevail. (Sponsored by Representative Heleringer)

Agreed.

Representative Boswell reported the Conference Committee on **HB 344** could not agree and requested the same members be appointed to a Free Conference Committee.

Representative Boswell moved that the House accept the Conference Committee Report on **HB 344.** Agreed.

The Speaker appointed the same members to the Free Conference Committee.

Representative Craddock reported that the Conference Committee on **HJR 40** could not agree and requested a Free Conference Committee be appointed consisting of the same members.

Representative Craddock moved that the Conference Committee report on **HJR 40** be accepted. Agreed.

The Speaker appointed the same members to the Free Conference Committee with the addition of Representative Wilborn, to **HJR 40.**

Representative Hines reported the Conference Committee on **HB 51** could not agree and requests a Free Conference Committee consisting of the same members be appointed.

Representative Hines moved that the Conference Committee Report on **HB 51** be accepted. Agreed.

The Speaker appointed the same members to the Free Conference Committee on **HB 51.**

Recess

Representative Mann moved that the House recess until 7:30 p.m.

On the roll call the vote was yeas 26-Arnold, Bendl, Bennett, Blandford, Boswell, Brown, Caldwell, Cawood, Cyrus, Dunn, Gray, Hines, Isler, Kenton, Mann, Maynard, Morris, O'Brien, Petty, Rapier, P. Richardson, Romines, Stone, Thomas, Turner, Van Horn. Nays 3-LeMaster, Lundergan, Overstreet.

The motion that the House recess was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Senate Message

The following letter was received in regard to **HB 66:** "The Senate has appointed the following members to serve on the Free Conference Committee on House Bill No. 66: Senators McCuiston, Huff, and O'Daniel."

The following letter was received in regard to **HB 858:** "The Senate has appointed the following members to serve on the Free Conference Committee on House Bill No. 858: Senators Quinlan, Stuart, and Karem."

Orders of the Day (continued)

Representative Blandford read the following Conference Committee Report on **HB 576:**

"The Conference Committee on **HB 576** concurs in Senate Amendment No. 1 to **HB 576.**"

Representative Blandford moved the adoption of the Conference Committee Report on **HB 576.**

On the roll call the vote was yeas 61-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Clapp, Clark, Clarke, Crupper, Curd, Donnermeyer, Dunn, Farrow, Foster, Freiberg, Gray, Guenthner, Hancock, Holbrook, Holloway, Isler, Johnson, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, Nett, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Thomas, Turner, Van Horn, Weinberg, Williams, Worthington, Wright, Yates. Nays 0.

The motion that the House adopt the Conference Committee Report on **HB 576** was adopted.

Representative Blandford moved that **HB 576,** as amended by the Conference Committee Report, be passed.

On the roll call the vote was yeas 71-Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Clapp, Clark, Clarke, Crupper, Curd, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Holbrook, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Riner, Robinson, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, Williams, Worthington, Wright, Yates. Nays 0.

HB 576, as amended by the Conference Committee Report, was passed.

Representative B. Richardson moved that the vote by which **HB 576,** as amended by the Conference Committee Report, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative P. Richardson filed the following Conference Committee Report on **HB 643:**

The Conference Committee on **HB 643** recommends that the House concur with Senate Committee Substitute which consolidates House Bills 643, 657, 658 and 664, all previously passed by the House.

Concurred in the following Title amendment.

On page 1, line Title, by deleting the words "industrial loan companies" and inserting in lieu thereof the words "financial institutions"

Senate Members Ed Ford, John Rogers, Frank Miller; House Members Paul Richardson, Bruce Blythe, Charles O. Petty.

Representative P. Richardson moved the adoption of the Conference Committee Report on **HB 643.**

On the roll call the vote was yeas 47-Arnold, Bendl, Bennett, Boswell, Brinkley, Bronger, Bruce, Burnette, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Foster, Gray, Hancock, Hines, Isler, Kenton, Kidd, Little, McBee, McKinney, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Sale, Stone, Stumbo, Thomas, Thomason, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 22-Allen, Barrows, Blair, Caldwell, DeFalaise, Farrow, Freibert, Fryman, Guenthner, Holbrook, Layman, Lewis, List, Maynard, Moberly, Noe, Patrick, Plummer, Robinson, Smith, Turner, Van Horn.

The motion that the House adopt the Conference Committee Report on **HB 643** was adopted.

Representative P. Richardson moved that **HB 643,** as amended by Conference Committee Report, be passed.

On the roll call the vote was yeas 50-Arnold, Bendl, Bennett, Boswell, Brinkley, Bronger, Bruce, Burnette, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Foster, Gray, Hancock, Isler, Kenton, Lewis, Little, Lundergan, Mann, McBee, McKinney, Morris, O'Brien, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Sale, Schmidt, Stone, Stumbo, Thomas, Thomason, Turner, Weinberg, White, Worthington, Wright, Yates. Nays 21-Allen, Barrows, Blair, Caldwell, DeFalaise, Farrow, Freibert, Fryman, Guenthner, Holbrook, Layman, Maynard, Moberly, Noe, Overstreet, Patrick, Plummer, Robinson, Romines, Smith, Van Horn.

HB 643, as amended by Conference Committee Report, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 643**, as amended by Conference Committee Report, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the Senate be requested to return **SB 14**. Agreed.

Representative Donnermeyer read the following Conference Committee Report on **HB 462:** The Conference Committee on **HB 462** has met, is unable to report, and requests the appointment of a Committee on Free Conference, with the same members.

Representative Donnermeyer moved the adoption of the Conference Committee Report on **HB 462.**

On the roll call the vote was yeas 60-Bendl, Bennett, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Hancock, Hines, Holbrook, Isler, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Maynard, McBee, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Yates. Nays.0.

The motion that the Conference Committee Report on **HB 462** be adopted was adopted.

The Speaker appointed the same members to the Free Conference Committee.

Representative Little read the following Conference Committee Report on **HB 757:** The Conference Committee on **HB 757** concurred.

Representative Little moved the adoption of the Conference Committee Report on **HB 757.**

On the roll call the vote was yeas 65-Arnold, Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Romines, Sale, Smith, Stone, Stumbo, Thomas, Turner, Van Horn, White, Williams, Wright, Yates. Nays 0.

The Conference Committee Report on **HB 757** was adopted.

Representative Little moved that **HB 757,** as amended, be passed.

On the roll call the vote was yeas 71-Allen, Arnold, Bennett, Blair, Boswell, Brinkley, Brown, Bruce, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 0.

HB 757, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 757,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Dunn read the following Free Conference Committee report on **HB 858:**

The Free Conference Committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

To amend Senate Amendment 1 in Section 8, subsection (2), by deleting the word "shall" and inserting the word "may", and in subsection (2)(b) by deleting the words ", effective January 1, 1981."

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senate Members David Karem, W. Quinlan, Eugene Stuart; House Members Edward Holloway, Gerta Bendl, James R. Dunn.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Dunn moved the adoption of the Free Conference Committee Report on **HB 858:**

On the roll call the vote was yeas 69-Allen, Arnold, Barrows, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Noe, O'Brien, Petty, Plummer, Priddy, Rapier, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 2-Riner, Van Horn.

The Free Conference Committee Report on **HB 858** was adopted.

Representative Dunn moved that **HB 858,** as amended, be passed.

On the roll call the vote was yeas 58-Arnold, Barrows, Bennett, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Cawood, Clark, Curd, Cyrus, Dawahare, Dunn, Foster, Gray, Guenthner, Hancock, Hines, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 19-Allen, Blair, Burnette, Caldwell, Crupper, DeFalaise, Ellington, Farrow, Freibert, Fryman, Holbrook, Johnson, Layman, McNutt, Patrick, Plummer, Riner, Robinson, Thomas.

HB 858, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 858,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Boswell read the following Free Conference Committee Report on **HB 344:**

The Free Conference Committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

On page 2, after line 9, by adding the following language: "*or churches having a capacity in excess of two hundred fifty (250) persons or thirty-two hundred (3200) square feet of total floor space;*"

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senate Members Woodrow Stamper, Bill McGee, Gene Huff; House Members David E. Boswell, Louis Johnson, W. D. Blair.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Boswell moved the adoption of the Free Conference Committee Report on **HB 344:**

On the roll call the vote was yeas 55-Barrows, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clark, Curd, Cyrus, DeFalaise, Dunn, Foster, Fryman, Gray, Hancock, Head, Hines, Isler, Johnson, Jones, Kidd, List, Little, Lundergan, Mann, May, McBee, McKinney, Morris, O'Brien, Overstreet, Petty, Priddy, Rapier, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Wright, Yates. Nays 14-Allen, Arnold, Brown, Dawahare, Ellington, Farrow, Freibert, Holbrook, Layman, LeMaster, Lewis, McNutt, Moberly, Stumbo.

The motion that the Free Conference Committee Report on **HB 344** be adopted was adopted.

Representative Boswell moved that **HB 344,** as amended, be passed.

On the roll call the vote was yeas 58-Arnold, Bennett, Blair, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clapp, Clark, Curd, Cyrus, Dawahare, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Hancock, Head, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Little, Mann, May, Morris, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 9-Allen, Brown, DeFalaise, Ellington, Layman, Lewis, Patrick, Plummer, Stumbo.

HB 344, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 344,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Hancock read the following Conference Committee Report on **HB 631:** The Conference Committee on **HB 631** has met and we are unable to agree on the bill and amendments. We request that the respective bodies reappoint the same members to a Free Conference Committee on **HB 631** for the purpose of rewriting the bill.

Representative Hancock moved the adoption of the Conference Committee Report on **HB 631.**

On the roll call the vote was yeas 63-Allen, Arnold, Barrows, Bennett, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, Clark, Cyrus, Dawahare, DeFalaise, Dunn, Ellington, Farrow, Freibert, Gray, Hancock, Head, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, McKinney, Moberly, Morris, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 1-Patrick.

The Conference Committee Report on **HB 631** was adopted.

The Speaker appointed the same members to the Free Conference Committee Report on **HB 631.**

Representative Jones read the following Conference Committee Report on **HB 968:** The Conference Committee on **HB 968** has met as provided in the Rules of the House and Senate, and has failed to reach an agreement. Therefore, the Committee respectively requests the appointment of a Free Conference Committee on House Bill 968.

Representative Jones moved the adoption of the Conference Committee Report on **HB 968.**

On the roll call the vote was yeas 56-Allen, Arnold, Bennett, Blair, Boswell, Brinkley, Bruce, Burch, Caldwell, Clapp, Clark, Cyrus, Dawahare, Dunn, Ellington, Farrow, Freibert, Gray, Guenthner, Holbrook, Isler, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, McNutt, Morris, O'Brien, Overstreet, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 6-Barrows, Burnette, Noe, Patrick, Plummer, Riner.

The Conference Committee Report on **HB 968** was adopted.

The Speaker appointed the same members to the Free Conference Committee on **HB 968.**

Representative Thomason read the following Conference Committee Report on **HB 122:**

The Conference Committee on **HB 122,** delete on lines 1 through 3 of S.A. #1 the words:

"personal injury claims" and insert in lieu thereof the words "any claim other than that listed on the face of the check or draft"

Add to S.A.#1 the words: Page 1, lines 5 and 6 delete the word "further"

Senate Members Ed Ford, William Sullivan; House Members David Thomason, James Bruce.

Representative Thomason moved the adoption of the Conference Committee Report on **HB 122.**

On the roll call the vote was yeas 70-Arnold, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Cawood, Clapp, Clark, Curd, Cyrus, Dawahare, DeFalaise, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Head, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, Maynard, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 1-Burnette.

The motion that the Conference Committee Report on **HB 122** be adopted was adopted.

Representative Thomason moved that **HB 122,** as amended, be passed.

On the roll call the vote was yeas 65-Arnold, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Curd, Cyrus, Dawahare, DeFalaise, Dunn, Farrow, Foster, Fryman, Gray, Guenthner, Hancock, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Mann, Maynard, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 2-Allen, Patrick.

HB 122, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 122,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that **SB 102** be taken from Orders of the Day for consideration of the House Amendment thereto. Agreed.

Representative B. Richardson moved that the House recede from House Amendment No. 18 to **SB 102.**

On the roll call the vote was yeas 28-Arnold, Barrows, Brinkley, Bruce, Caldwell, Clarke, Craddock, DeFalaise, Ellington, Farrow, Freibert, Guenthner, Holbrook, Holloway, Isler, Jones, Kenton, LeMaster, Mann, McNutt, Moberly, Richards, B. Richardson, P. Richardson, Van Horn, Weinberg, Wilborn, Worthingon. Nays 39-Adams, Bennett, Blair, Blandford, Boswell, Bronger, Brown, Burch, Burnette, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Dawahare, Dunn, Gray, Kidd, Little, Lundergan, Maynard, McBee, McKinney, Noe, O'Brien, Patrick, Priddy, Rapier, Rattliff, Robinson, Romines, Schmidt, Smith, Stumbo, Thomason, Turner, White, Williams.

The motion that the House recede from House Amendment No. 18 to **SB 102** was rejected.

Representative B. Richardson moved that the House recede in House Amendment No. 20 to **SB 102.**

On the roll call the vote was yeas 13-Allen, Arnold, Bruce, Clarke, DeMarcus, Freibert, Hancock, Holloway, Layman, Morris, Petty, Schmidt, Van Horn. Nays 69-Adams, Barrows, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Head, Hines, Holbrook, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Noe, O'Brien, Overstreet, Patrick, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates.

The motion that the House recede from the House Amendment No. 20 to **SB 102** was rejected.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 32, SR 33, SB 205, SB 247, SB 267, SB 268, SB 366, SB 376, SB 381, HB 464, HB 416, HB 363, HB 319, HB 161, HB 299, HB 275, HB 206, HB 150, HB 141, HB 125, HB 106, HB 86, HB 936, HB 864, HB 793, HB 704, HB 659, HB 638, HB 613, HB 583, HB 478,** and **HB 974** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker.

HB 464, HB 416, HB 363, HB 319, HB 161, HB 299, HB 275, HB 206, HB 150, HB 141, HB 125, HB 106, HB 86, HB 936, HB 864, HB 793, HB 704, HB 659, HB 638, HB 613, HB 583, HB 478, and **HB 974** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Speaker Pro Tempore Hancock presiding.

Representative B. Richardson moved that the rules be suspended to allow members to record votes only. Agreed.

Representative Bendl moved that she be recorded as voting "yea" on **HB 858.** Agreed.

Representative Heleringer moved that he be recorded as voting "yea" on **HB 20.** Agreed.

Representative Boswell moved that he be recorded as voting "yea" on **HB 25.** Agreed.

Representative Craddock moved that she be recorded as voting "yea" on **HB 14.** Agreed.

Representative Guenthner moved that he be recorded as voting "yea" on **HB 236.** Agreed.

Representative Isler moved that he be recorded as voting "yea" on SA #11, **HB 532.** Agreed.

Representative Van Horn moved that he be recorded as voting "yea" on **HB 265.** Agreed.

Representative Brinkley moved that he be recorded as voting "yea" on **SB 72.** Agreed.

Representative Nett moved that he be recorded as voting "yea" on **HB 858.** Agreed.

Representative Ellington moved that he be recorded as voting "yea" on **SB 44.** Agreed.

Representative Patrick moved that he be recorded as voting "yea" on **SB 163.** Agreed.

Representative Barrows moved that he be recorded as voting "nay" on **SB 268.** Agreed.

Representative Foster moved that he be recorded as voting "yea" on **SB 240.** Agreed.

Representative DeMarcus moved that he be recorded as voting "yea" on **HB 236.** Agreed.

Representative Dawahare moved that he be recorded as voting "nay" on **HB 973.** Agreed.

Representative Boswell moved that the rules be suspended for the purpose of making a motion concerning co-sponsors of Bills and Resolutions.

Representative Boswell moved that all properly filed co-sponsor requests be approved. Agreed.

The following members filed requests to have their name added as co-sponsors of Bills and Resolutions.

Representative Smith, **HB 395;** Representatives Plummer, Freibert, Lewis, Schmidt, Hearing and Turner, **HR 144.**

Representative Wilborn filed the following Majority Free Conference Committee Report on **HB 51:**

The Free Conference Committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

1. Senate amendment as written.
2. Title changed to "AN ACT relating to education."
3. Remove the bracket after ($5.00) on line 16, page 2.
4. Insert a bracket (]) after "attendance" on line 17, page 2.

5. Add the attached after line 19, page 2:

"Section 2. KRS 158.030 is amended to read as follows:

(1) A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by *October* [September] 1, 1979, and any year thereafter, shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by *October* [September] 1, 1979, and any year thereafter, may enter a public school kindergarten. Any child who has successfully completed kindergarten *and shall be six years of age by December 31, 1980* [during the school year 1978-79] shall be eligible for enrollment in the first grade [for the school year 1979-80] notwithstanding any other age requirements of this section, *and any child who has attended nursery school and will be five years of age on or before December 31, 1980 shall be eligible for enrollment in a public kindergarten program in the 1981-82 school year and in the first grade during the 1982-83 school year.*

[(2) The parent or legal guardian of any child who becomes five (5) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter kindergarten at the beginning of the school year in which the child becomes five (5).

(3) The parent or legal guardian of any child who becomes six (6) years of age on or before December 31 may petition the state board for elementary and secondary education to allow the child to enter first grade at the beginning of the school year in which the child becomes six (6).

(4) The state board for elementary and secondary education shall establish procedures for consideration of such petitions including readiness testing and such other measures as may be deemed necessary.]"

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senate Members Helen Garrett, Ed O'Daniel; House Members W. Stephen Wilborn, Jody Richards.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Hines filed the following Minority Free Conference Committee Report on **HB 51:**

The Free Conference Committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

1. Senate amendments as written.

2. Remove the bracket after ($5.00) on line 16, page 2.

3. Insert a bracket (]) after "attendance" on line 17, page 2.

Direct the clerk, on enrollment to make appropriate section number changes to conform with this report.

House Member Carl R. Hines, Sr.

The above-named members, in separate votes by house, all concur in the provision of this report.

Representative Wilborn moved the adoption of the Majority Free Conference Committee Report on **HB 51:**

On the roll call the vote was yeas 68-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kidd, Layman, LeMaster, Lewis, List, Little, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, O'Brien, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Smith, Stone, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright, Yates. Nays 10-Barrows, Blythe, Caldwell, DeFalaise, Farrow, Noe, Overstreet, Patrick, Thomas, Thomason.

The majority Free Conference Committee Report on **HB 51** was adopted.

Representative Wilborn moved that **HB 51,** as amended, be passed.

On the roll call the vote was yeas 78-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Hines, Holbrook, Holloway, Johnson, Jones, Kidd, LeMaster, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 5-Barrows, Caldwell, DeFalaise, Overstreet, Patrick.

HB 51, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 51,** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that **SB 251** be returned to the Senate.

On the roll call the vote was yeas 74-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Hines, Holbrook, Holloway, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Rapier, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 0.

The motion that **SB 251** be returned to the Senate was adopted.

Representative B. Richardson moved that the House consider the House Amendment to **SB 14.** Agreed.

Representative Williams moved that the House recede in the House Amendment to **SB 14:**

On the roll call the vote was yeas 66-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Burch, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Lemaster, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Patrick, Petty, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Williams, Worthington, Wright, Yates. Nays 13-Burnette, Caldwell, DeFalaise, DeMarcus, Fryman, Haering, Head, Holloway, Lewis, Overstreet, Rattliff, Smith, Turner.

The motion that the House recede in the House Amendment to **SB 14** was adopted.

Representative B. Richardson moved that **HB 863** be returned to the Senate.

On the roll call the vote was yeas 66-Adams, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Brinkley, Bronger, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hines, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, May, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Wright. Nays 5-Deskins, Overstreet, Patrick, Plummer, Yates.

The motion that **HB 863** be returned to the Senate was adopted.

Speaker Kenton presiding.

Representative Donnermeyer filed the following Free Conference Committee Report on **HB 462:**

The Free Conference Committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

1. That Senate Committee Amendments Nos. 2 and 4 be adopted.

2. That Senate Floor Amendments Nos. 8 and 11 be adopted.

3. That Senate Floor Amendment No. 9, as amended by Senate Floor Amendments Nos. 7 and 10 be adopted with the following amendment:

By deleting subsection 3 and all subsequent subsections, and by inserting in lieu thereof the following:

"(3) The Committee shall adopt a monthly meeting schedule and shall meet at least monthly and a majority of the members of the committee shall constitute a quorum.

(4) It shall be the duty of the committee to review only those projects authorized by subsections (2), (4), (8), (9) and (16) of Section 1. of this Act, and only off-street parking facilities, cable television and mass communication facilities as authorized by subsection (3) of this Act, whether by cities, counties, urban county governments, air boards, riverport authorities, or the Kentucky industrial development finance authority. Such review shall include, but need not be limited to, the following:

(a) The economic need for the project in the area.

(b) Whether the project places an unjustified competitive disadvantage on existing business in the area.

(c) If normal commercial financing is unavailable for this project or if available at what rates it must be secured and under what terms and conditions.

(d) If the project is in accord with the intent of KRS 103.200 to 103.285 and this Act.

(e) The project's economic soundness.

(5) If the committee finds that the project does not meet all of the above listed criteria it shall deny approval of the project until the objections thereto have been met.

(6) Members of the committee shall receive seventy-five dollars ($75.00) per diem and their actual and necessary expenses incurred in the performance of their duties.

(7) The committee may require the submission of testimony, project data, or any other information deemed appropriate with regard to any project submitted to it for approval.

(8) The committee, within fourteen (14) days of receiving application, shall notify the agency or unit of government proposing the issuance of bonds and the developers of the project of the date on which the project will be considered by the committee at a public hearing. Any person may attend the hearing and may personally, or through counsel, address the committee with regard to the project and make recommendations to the committee thereon. Notice shall be given to the agency or unit of government proposing to issue the bonds and the developers of the project not less than forty-five (45) days before the date the committee has set for the hearing on the project. The agency or unit of government proposing the issuance of the bonds shall, not less than thirty (30) days before the date of the hearing, publish notice of the hearing in the manner required by KRS Chapter 424. The agency or unit of government proposing the issuance of the bonds shall require the developer of the project (if it is other than the agency or unit of government) to reimburse the agency or unit of government for the cost of the advertising required herein.

(9) The committee shall have the right to approve or disapprove any project submitted to it, and over which it has jurisdiction as described in subsection (4) of this section, and no bonds or other evidence of indebtedness for any such project shall be issued until such project has been approved by the committee."

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senate Members James P. Bunning, Ed O'Daniel, Joe Wright; House Members Jody Richards, C. Hank Hancock, William I. Donnermeyer.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Donnermeyer moved the adoption of the Free Conference Committee Report on **HB 462.**

On the roll call the vote was yeas 66-Adams, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Hines, Holbrook, Isler, Jones, Kenton, Kidd, LeMaster, Lewis, List, Little, Mann, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Thomas, Thomason, White, Wilborn, Williams, Worthington, Wright. Nays 9-Fryman, Haering, Layman, Maynard, Patrick, Plummer, Schmidt, Turner, Van Horn.

The Free Conference Committee Report on **HB 462** was adopted.

Representative Donnermeyer moved that **HB 462,** as amended, be passed.

On the roll call the vote was yeas 58-Adams, Arnold, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Hines, Isler, Kenton, Kidd, LeMaster, List, Little, Mann, McBee, McKinney, McNutt, Moberly, Morris, Noe, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Thomas, Thomason, White, Williams, Worthington, Yates. Nays 19-Blair, Burnette, Cawood, Clarke, DeMarcus, Farrow, Fryman, Haering, Holbrook, Layman, Lewis, Maynard, Overstreet, Patrick, Plummer, Turner, Van Horn, Wilborn, Wright.

HB 462, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 462,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

The Speaker appointed the following Conference Committee on **SB 102:** Representative Clapp, Chairman; Representatives McBee and DeMarcus.

Majority and Minority Conference Committee Reports were filed on **HB 830,** as follows:

Majority Report: The Conference Committee on **HB 830** voted for the following change: Amend the G.A. Copy of **HB 830** on page 7, line 12, after "bridges." by adding the following: "*All trucks hauling coal on a fully controlled limited access highway shall be covered by a tarp or equivalent cover to prevent spillage. Any person found in violation of this provision shall be fined not more than five hundred dollars ($500) for each violation, nor less than fifty dollars ($50).*"

and delete all presently underlined material appearing on lines 12 through 18.

Senate Members John Doug Hays, Kenneth Gibson, Clyde Middleton; House Members Herbert Deskins, William Brinkley, Phillip Lewis, Steve Cawood.

Minority Report: The Conference Committee on **HB 830** did not concur with the amendment to **HB 830.**

House Member Gregory Stumbo.

Representative Deskins moved the adoption of the Majority Conference Committee Report on **HB 830.**

On the roll call the vote was yeas 59-Allen, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Head, Hines, Holloway, Isler, Kenton, Kidd, LeMaster, Lewis, List, Little, McKinney, McNutt, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Stone, Thomas, Thomason, Turner, Van Horn, Williams, Wright, Yates. Nays 4-Brown, Bruce, Morris, Worthington.

The Majority Conference Committee Report on **HB 830** was adopted.

Representative Deskins moved that **HB 830,** as amended, be passed.

On the roll call the vote was yeas 66-Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Head, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, Lewis, List, Little, Mann, May, McKinney, Moberly, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Stone, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Wright, Yates. Nays 3-Allen, Bruce, Morris.

HB 830, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 830,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

The following letter was received in regard to **HB 109:** This is to advise that the Senate has agreed to the Conference Report on House Bill No. 109 and has receded from Senate Amendment No. 1 and is returning same to this Honorable Body for enrollment.

The following letter was received in regard to **SB 14:** As requested by this Honorable Body, the Senate is returning **SB 14** for reconsideration.

Senate appointments to the following Free Conference Committees are as follows: **HB 51** - Senators Allen, O'Daniel, and Garrett; **HB 968** - Senators Martin, Gibson, and Weisenberger; **HB 631** - Senators Trevey, Easterly, and Garrett; **HB 462** - Senators Wright, O'Daniel, and Bunning; **HJR 40** - Senators O'Daniel, Ford, and Berger; **HB 66** - Senators McCuiston, Huff, and O'Daniel; **HB 344** - Senators Huff, Moseley, and McGee; **HB 830** - Senators Hays, Gibson, and Middleton.

The following letter was received in regard to **SB 390:** The Senate has refused to concur in the House Amendment No. 1 to **SB 390** and respectfully requests this Honorable Body to recede from Amendment No. 1.

The following letter was received in regard to **SB 246:** The Senate has refused to concur in the House Amendment No. 1 to **SB 246** and respectfully requests this Honorable Body to recede from Amendment No. 1.

The following letter has been received in regard to **HB 576:** The Senate has agreed to the Conference Report on **HB 576** and is returning same to this Honorable Body for its concurrence and enrollment.

The following letter has been received in regard to **HB 858:** This is to advise that the Senate has agreed to the Free Conference Report on **HB 858** and has repassed the bill as amended in Free Conference.

The following letter has been received in regard to **HB 757:** The Senate has agreed to the Conference Report on **HB 757** and is returning same to this Honorable Body for its concurrence and enrollment.

The following letter has been received in regard to **HB 643:** The Senate has approved the Conference Committee Report on **HB 643** and is returning same to this Honorable Body for its concurrence and enrollment.

Recess

Representative B. Richardson moved that the House recess until 9:45 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Senate Message

The Senate has appointed the following members to Conference Committees: **SB 17** - Senators Garrett, Rose, and Rogers; **SB 41** - Senators Meyer, Sheehan, and O'Daniel; **SB 44**, Senators Moloney, Ford, and Hays.

The following letter was received in regard to **HB 931:** The Senate has agreed to the Free Conference Report on **HB 931** and has repassed the bill as amended by the Free Conference and is returning same to this Honorable Body.

The following letter was received in regard to **HB 863:** As requested by this Honorable Body, the Senate is returning **HB 863** for further reconsideration.

Orders of the Day (continued)

The Speaker announced the Senate has refused to accept the Conference Committee Report on **HB 830.** The Speaker appointed the same members to the Free Conference Committee.

The Speaker appointed the following members to the Conference Committee on **SB 44:** Representative Bruce, Chairman; Representatives Craddock and Arnold.

The Speaker appointed the following members to the Conference Committee on **SB 17;** Representative Blandford, Chairman; Representatives Priddy and Curd.

The Speaker appointed the following members to the Conference Committee on **SB 41;** Representative Mann, Chairman; Representatives Bronger and Ellington.

Senate Message

Letter in regard to members appointed to Conference Committee on **SB 102:** Senators Quinlan, Hays, and Bunning.

Orders of the Day (continued)

Representative Clapp filed the following Conference Committee Report on **SB 102:**

The Conference Committee recommends the following:

Not to concur and recommend the appointment of a Free Conference Committee.

Senate Members W. Quinlan, James P. Bunning, John Doug Hays; House Members Lloyd Clapp, Wm. Harold DeMarcus, Bill McBee.

Representative Clapp moved the adoption of the Conference Committee Report on **SB 102.** Agreed.

The Speaker appointed the same members of the House to the Free Conference Committee.

Representative Weinberg filed the following Free Conference Committee Report on **HB 631:**

The Free Conference Committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

The Free Conference Committee on **HB 631** has met and recommends that the respective bodies agree to adopt the attached version of **HB 631,** as rewritten, in lieu of **HB 631** as previously reported by the House or by the Senate.

AN ACT relating to state personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 18.100 to 18.360 IS CREATED TO READ AS FOLLOWS:

(1) As used in this Act, the term "career employe" shall mean a state employe with twenty (20) or more years of permanent full-time state service, or the part-time employment equivalent of at least twenty (20) years of full-time state service in the executive branch of the state government. The service may have been in the classified service, the unclassified service, or a combination thereof.

(2) Section 2 of this Act shall not apply to a career employe who has become eligible for full, unreduced retirement benefits in a state-administered retirement system.

SECTION 2. A NEW SECTION OF KRS 18.110 to 18.360 IS CREATED TO READ AS FOLLOWS:

(1) Except as provided in subsection (2) of Section 1 of this Act, a career employe whose employment is terminated on or after January 1, 1980 by lay-off, dismissal, other than for cause, and, in the case of an unclassified management employe, lay-off, dismissal, other than for cause, or resignation, shall, upon his written request, be reemployed or placed on reemployment lists in accordance with this section and Section 3. of this Act. In addition, a career employe whose employment in an unclassified position is so terminated shall be granted status in the classified service, subject to subsection (5) of this section.

(2) If the career employe has previously attained status in a position in the classified service, he shall be offered employment in a position for which he is qualfied and which is at least equal in pay grade and step to the current pay grade and step of the highest-salaried position in the classified service in which he previously attained status.

(3) If the career employe has not previously attained status in the classified service or if he has attained status but no vacancy exists in a position to which subsection (2) of this section applies, the employe shall be placed on reemployment lists for any positions for which he is qualified.

(4) A career employe's qualifications for positions shall, for the purpose of this section, be determined without the administration of written or oral examinations to the employe if he has previously attained status in the classified service in that position.

(5) The commissioner of personnel may revoke the classified service status of a career employe for cause. The commissioner shall furnish the career employe with a written statement of the specific reasons for revoking his status within ten (10) days following the commissioner's decision. The career employe may appeal the commissioner's action under this subsection in accordance with KRS 18.270 to 18.272. For the purposes of this subsection, the term "appointing authority" as used in KRS 18.270 and KRS 18.272 shall mean the commissioner of personnel.

SECTION 3. A NEW SECTION OF KRS 18.110 to 18.360 IS CREATED TO READ AS FOLLOWS:

(1) A career employe shall notify the department of personnel in writing that he desires reemployment in order to be placed on reemployment lists and shall have first priority for consideration in filling any vacancy in the classified service for which he is qualified.

(2) If more than one (1) career employe with status requests to be placed on the reemployment list for any job classification, the department of personnel shall list the names of such career employes in the order of their seniority.

(3) No vacancy may be filled from a competitive register until all career employes on the reemployment list for that class of position have been given full consideration for reemployment. An appointing authority may refuse to reemploy a career employe on the reemployment list only for cause. The commissioner of personnel and the employe shall be furnished with a written statement of the specific reasons for the refusal within ten (10) days following the appointing authority's refusal. The employe may appeal the appointing authority's action in accordance with KRS 18.270 to 18.272.

Section 4. KRS 18.110 is amended to read as follows:

As used in KRS 18.110 to 18.360, unless the context indicates otherwise:

(1) "Appointing officer" means the officer or employe or group of officers or employes authorized by law to make appointments;

(2) "Board" means the personnel board created by KRS 18.160;

(3) "Certification" means the referral of the name of one or more qualified prospective employes by the commissioner of personnel on request of an appointing officer for consideration in filling a position in the classified service;

(4) "Class" means a group of positions sufficiently similar as to duties performed, scope of discretion and responsibility, minimum requirements of training, experience, or skill, and such other characteristics that the same title, the same tests of fitness, and the same schedule of compensation have been or may be applied to each position in the group;

(5) "Classified service" includes all the employment subject to the terms of this chapter except for those positions expressly cited in KRS 18.140; a "classified position" is a position in the classified service;

(6) "Demotion" means a change in the rank of an employe from a position in one (1) class to a position in another class having a lower minimum salary range and less discretion or responsibility;

(7) "Department" means the department of personnel provided for in KRS 18.160 unless the context indicates otherwise;

(8) "Eligible" refers to a person who has made a passing score on any examination required under KRS 18.110 to 18.360 and who has qualified to be placed on a register;

(9) "Emergency employe" means an employe appointed without regard to the examination requirements of KRS 18.110 to 18.360 to any position by reason of a governmental emergency, whose appointment is not to exceed thirty (30) working days in duration and is nonrenewable;

(10) "Employe" means a person regularly appointed to a position in the state service for which he is compensated on a full-time or part-time basis;

(11) "Position" means an office or employment in an agency (whether part-time, full-time, permanent, temporary, seasonal, federally funded time-limited, or emergency, occupied or vacant) involving duties requiring the services of one (1) person;

(12) "Probation" means the period of service following appointment to any position under KRS 18.110 to 18.360 which requires special observation and evaluation of an employe's work and which must be passed successfully before status may be conferred as provided in KRS 18.210. An employe serving the probationary period is known as a "probationary employe";

(13) "Promotion" means a change of rank of an employe from a position in one (1) class to a position in another class having a higher minimum salary and carrying a greater scope of discretion or responsibility;

(14) "Provisional employe" means any employe appointed on a temporary or interim basis to a permanent position under KRS 18.110 to 18.360 without examination, such appointment being made necessary by the absence of a register for the position involved and by the time limitations and prohibition on renewal as defined in KRS 18.210;

(15) "Re-employment list" means the separate list of names of persons reduced in force by reason of lack of appropriations, curtailment of program or abolishment of position or of organizational unit, and through no fault of their own, who have requested the opportunity for further consideration of state employment. Re-employment lists are used as provided in KRS 18.210 *and subject to Sections 2 and 3 of this Act*;

(16) "Register" means any official list of eligibles for a particular class placed in rank order according to the examination records, maintained for use in making original appointments or promotions to positions in the classified service;

(17) "Status" means the acquisition of tenure with all rights and privileges appertaining thereunto after satisfactory completion of the probationary period by an employe in the classified service;

(18) A "temporary position" is one created for a defined period of time not to exceed six (6) months and not renewable; a "temporary employe" is one (1) appointed to such a temporary position. A "seasonal position," although temporary in duration in the foregoing sense, coincides in duration with a particular season or seasons of the year, but may not exceed eleven (11) months duration, and may recur regularly from year to year; a "seasonal employe" is one appointed to such a seasonal position from an existing eligible list or without reference to an eligible list;

(19) A "federally funded time-limited position" is one created for the specific purpose of providing public service employment or one-time special or research project services for a limited period of time and shall not exceed the period of time for which that specific federal funding is provided. A "federally funded time-limited" employe is one appointed to such position and, except as provided in KRS 18.140, may in all other respects be entitled to the benefits provided permanent, full-time regular employes as defined in KRS 18.110 to 18.360;

(20) "Transfer" means a movement of any employe from one (1) position to another of the same grade having the same salary ranges and the same level of responsibility within the classified service;

(21) A "war veteran" is a person who served on active duty in the United States armed forces during any war, or in a campaign or expedition for which a campaign badge or service medal has been authorized, or between April 28, 1952, and July 1, 1955.

Free Conference Committee on **HB 631** amendment to **HB 631** as printed and attached to Free Conference Committee Report.

Amend said bill as follows:

On page 2, line 6, by inserting after "*status*" the words "*for the purpose of reemployment rights*"; and

On page 3, line 16, by deleting "*first*"; and

On page 3, line 17, by inserting after "*qualified*" the words "*subject to subsection (3) of this section*".

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senate Members John E. Trevey, Helen Garrett, Tom Easterly; House Members C. M. (Hank) Hancock, Bill Weinberg, A. Sale.

The above-named members, in separate votes by houses, all concur in the provisions of this report.

Representative Weinberg moved the adoption of the Free Conference Committee Report on **HB 631.**

On the roll call the vote was yeas 60-Adams, Bendl, Bennett, Blair, Boswell, Brinkley, Brown, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gray, Hancock, Head, Hines, Isler, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, May, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, B. Richardson, P. Richardson, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Yates. Nays 2-Allen, Blythe.

The Free Conference Committee Report on **HB 631** was adopted.

Representative Weinberg moved that **HB 631,** as amended, be passed.

On the roll call the vote was yeas 48-Adams, Bendl, Bennett, Boswell, Brinkley, Bronger, Brown, Burch, Clark, Clarke, Cyrus, Dawahare, DeFalaise, Deskins, Dunn, Foster, Fryman, Gray, Hancock, Head, Hines, Holbrook, Isler, Kenton, Kidd, LeMaster, List, Little, May, Maynard, McKinney, Noe, O'Brien, Rapier, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Stone, Stumbo, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 18-Allen, Blair, Blythe, Caldwell, Crupper, Farrow, Freibert, Haering, Holloway, Jones, Layman, McNutt, Morris, Nett, Patrick, Plummer, Rattliff, Turner.

HB 631, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 631,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Wilborn filed the following Conference Committee Report on **HB 109:**

The Conference Committee on **HB 109** has met as provided in the Rules of the House and Senate, and has reached an agreement. The agreement reached is that the Senate will recede from S.A. #1 to **HB 109.**

Senate Members Gus Sheehan, Georgia M. Powers, Delbert S. Murphy; House Members W. Stephen Wilborn, Al Bennett, John J. Isler.

Representative Wilborn moved that the Conference Committee on **HB 109** be discharged. Agreed.

Representative Deskins filed the following Free Conference Committee Report on **HB 830:**

The Free Conference Committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

Voted for the following change: Amend the G.A. Copy of **HB 830** on page 7, line 12, after "bridges." by adding the following:

"*All trucks hauling coal on a fully controlled limited access highway shall be covered by a tarp or equivalent cover to prevent spillage. Any person found in violation of this provision shall be fined not more than five hundred dollars ($500) for each violation, nor less than fifty dollars ($50)*"

and delete all presently underlined material appearing on lines 12 through 18.

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senate Members Clyde Middleton, Kenneth Gibson; House Members Wm. Brinkley, Steve Cawood, Phillip Lewis, Herbert Deskins.

The above-named members, in separate votes by house, all concur in the provision of this report.

Representative Deskins moved the adoption of the Free Conference Committee Report on **HB 830.**

On the roll call the vote was yeas 60-Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Cawood, Clark, Crupper, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Little, Mann, May, McBee, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Plummer, Rapier, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, Wilborn, Wright, Yates. Nays 6-Allen, Caldwell, Layman, Morris, Stumbo, Worthington.

The Free Conference Committee Report on **HB 830** was adopted.

Representative Deskins moved that **HB 830,** as amended, be passed.

On the roll call the vote was yeas 62-Adams, Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Burch, Cawood, Clapp, Clark, Crupper, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Haering, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Little, Mann, May, McBee, Moberly, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, Wilborn, Wright, Yates. Nays 6-Allen, Blythe, Layman, McNutt, Morris, Worthington.

HB 830, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 830,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Mann filed the following Free Conference Committee Report on **HB 66:**

The Free Conference Committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

That, in addition to Senate amendment 1 already concurred in, that the House concur in Senate amendment 4 and that the amendment on the following pages be adopted in lieu of Senate amendment 3 and language appearing in Section 1 of the General Assembly copy of the House Bill.

On page 1 before line 1 insert the following:

"Section 1. KRS 431.005 is amended to read as follows:

(1) A peace officer may make an arrest:

(a) In obedience to a warrant; or

(b) Without a warrant when a felony is committed in his presence; or

(c) Without a warrant when he has reasonable grounds to believe that the person being arrested has committed a felony; or

(d) Without a warrant when a misdemeanor, as defined in KRS 431.060, has been committed in his presence; or

(e) Without a warrant when a violation of KRS 189.290, 189.393, 189.520, 189.580, 511.080, or 525.070 has been committed in his presence.

[in obedience to a warrant, or without a warrant when a felony or misdemeanor is committed in his presence or when he has reasonable grounds to believe that the person being arrested has committed a felony.]

(2) A private person may make an arrest when a felony has been committed in fact and he has reasonable grounds to belive that the person being arrested has committed it."

And on page 1, line 1, to delete "Section 1" and to insert in lieu thereof "Section 2"

And on page 1, line 4, to insert a "[" before the word "or"

And on page 1, line 5, to add a "]" following "tion"

And on page 1, between lines 8 and 9, to add the following:

"*(2) A peace officer may issue a citation instead of making an arrest for a violation committed in his presence but may not make a physical arrest unless there are reasonable grounds to believe that the defendant, if a citation is issued, will not appear at the designated time or unless the offense charged is a violation of KRS 189.290, 189.393, 189.520, 189.580, 511.080, or 525.070 committed in his presence.*"

And on page 1, lines 9 through 18, to delete the same

And on page 2, before line 6, to add the following:

"Section 3. KRS 431.060 is amended to read as follows:

Offenses are either felonies, misdemeanors, or violations:

(1) Offenses punishable by death or confinement in the penitentiary, whether or not a fine or other penalty may also be assessed, are felonies.

(2) Offenses punishable by confinement other than in the penitentiary, whether or not a fine or other penalty may also be assessed are misdemeanors.

(3) Offenses punishable by a fine only or by any other penalty not cited herein, whether in combination with a fine or not, are violations.

[Offenses are either felonies or misdemeanors. Offenses punishable with death or confinement in the penitentiary are felonies. All other offenses, whether at common law or made so by statute, are misdemeanors.]

Section 4. KRS 431.410 is amended to read as follows:

The issuance of a summons rather than an arrest warrant shall be mandatory for all offenses, *except for violations of KRS 189.290, 189.393, 189.520, 189.580, 511.080 or 525.070,* which are deemed violations as defined in KRS 532.020(4) and traffic infractions for which [a sentence of] a fine only can be imposed unless the judicial officer finds that:
(1) The defendant previously has failed to respond to a citation or summons for an offense; or
(2) He has no ties to the community and there is a substantial likelihood that he will refuse to respond to a summons; or
(3) The whereabouts of the defendant are unknown and the issuance of an arrest warrant is necessary in order to subject him to the jurisdiction of the court; or
(4) Where arrest is necessary to prevent imminent bodily harm to the accused or to another; or
(5) For any other good and compelling reason as determined by the judicial officer.

Section 5. KRS 532.020 is amended to read as follows:
(1) Any offense defined outside this code for which a law outside this code provides a sentence to a term of imprisonment in the state penitentiary or reformatory for:
(a) At least one but not more than five years shall be deemed a Class D felony;
(b) At least five but not more than ten years shall be deemed a Class C felony;
(c) At least ten but not more than twenty years shall be deemed a Class B felony;
(d) For twenty or more years shall be deemed a Class A felony.
(2) Any offense defined outside this code for which a law outside this code provides a sentence to a definite term of imprisonment with a maximum which falls between ninety days and twelve months shall be deemed a Class A misdemeanor.

(3) Any offense defined outside this code for which a law outside this code provides a sentence to a definite term of imprisonment with a maximum of less than ninety days shall be deemed a Class B misdemeanor.

(4) Any offense defined outside this code for which a law outside this code provides a sentence to a fine *only or to any other punishment, whether in combination with a fine or not, other than death or imprisonment* [but no term of imprisonment] shall be deemed a violation."

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senate Members Pat McCuiston, Gene Huff, Ed O'Daniel; House Members A. L. Robinson, David W. Thomason, Terry L. Mann.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Mann moved the adoption of the Free Conference Committee Report on **HB 66.**

On the roll call the vote was yeas 69-Bendl, Bennett, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Crupper, Cyrus, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Haering, Hancock, Head, Hines, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, List, Little, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Williams, Wright, Yates. Nays 8-Allen, Blair, Freibert, Holbrook, Layman, Plummer, Turner, Worthington.

The Free Conference Committee Report on **HB 66** was adopted.

Representative Mann moved that **HB 66,** as amended, be passed.

On the roll call the vote was yeas 67-Bendl, Bennett, Blair, Boswell, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Cawood, Clark, Crupper, Cyrus, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, LeMaster, Little, Mann, May, Maynard, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Wilborn, Williams, Wright. Nays 9-Adams, Allen, Blythe, Haering, Layman, List, Plummer, Turner, Worthington.

HB 66, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 66,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Clarke filed the following Free Conference Committee Report on **HB 931:**

The Conference Committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

1. Amend Senate Committee Substitute to read as follows:

page 3, line 25, by deleting the amount "$3,387,700" and inserting in lieu thereof the amount "$3,330,000";

and on line 26, by deleting the amount "$3,726,400" and inserting in lieu thereof the amount "$3,450,000";

page 4, line 3, by deleting the amount "$1,966,700 and inserting in lieu thereof "$1,850,000";

and on line 4, by deleting the amount "$2,232,700" and inserting in lieu thereof "$1,966,700";

page 7, line 7, by deleting the word "must" and inserting in lieu thereof the word "shall";

page 12, line 20, by deleting the amount "$1,817,300" and inserting in lieu thereof "$1,650,000";

and on line 21, by deleting the amount "$1,864,200" and inserting in lieu thereof "$1,700,000"

page 14, line 22, by deleting the amount "$50,000" and inserting in lieu thereof "$22,000";

and on line 23, by deleting the amount "$50,000" and inserting in lieu thereof "$22,000";

page 19, line 8, by deleting the amount "$129,460,700" and inserting in lieu thereof $129,091,000";

and on line 9, by deleting the amount "$188,826,700" and inserting in lieu thereof $188,092,100";

page 22, line 15, by deleting the amount "$4,850,000" and inserting in lieu thereof "$4,625,000";

and on line 16, by deleting the amount "$5,250,000" and inserting in lieu thereof "$5,025,000";

and on line 19, by deleting the amount "$6,648,900" and inserting in lieu thereof "$4,804,800";

and on line 21, by deleting the amount "$6,366,400" and inserting in lieu thereof "$4,522,300";

page 23, line 20, by deleting the amount "$47,097,300" and inserting in lieu thereof "$45,028,200";

and on line 21, by deleting the amount "$55,605,300" and inserting in lieu thereof "$55,380,300";

and on line 25, by deleting the amount "$375,000" and inserting in lieu thereof "$275,000"

and on line 26, by inserting the following:

"Included in the above appropriation is $150,000 in fiscal year 1980-81 to examine the policies and procedures on the Commonwealth's educational services."

page 24, line 10, by deleting the word "applicable" and inserting in lieu thereof the word "existing";

page 25, line 11, by deleting the amount "$718,524,500" and inserting in lieu thereof "$718,809,100";

and on line 12, by deleting the amount "$780,254,200" and inserting in lieu thereof "$781,761,500";

and on line 26, after "0-3 years" by deleting the rest of the line and inserting in lieu thereof the following:

"$14,380 $12,530 $10,680 $8,750 $7,820"

page 26, line 1, after "4-9 years" by deleting the rest of the line and inserting in lieu thereof the following:

"$16,220 $14,380 $12,530 $8,750 $7,820"

and on line 2, after "10 years" by deleting the rest of the line and inserting in lieu thereof the following

"$17,890 $16,040, $14,190 $8,750 $7,820"

and on line 16, after "0-3 years" by deleting the rest of the line and inserting in lieu thereof the following:

"$15,630 $13,780 $11,930 $10,000 $9,070"

and on line 17, after "4-9 years" by deleting the rest of the line and inserting in lieu thereof the following:

"$17,470 $15,630 $13,780 $10,000 $9,070" and on line 18, after "10 years" by deleting the rest of the line and inserting in lieu thereof the following:

"$19,140 $17,290 $15,440 $10,000 $9,070"

page 29, line 3, by deleting the figure "4,310" and inserting in lieu thereof the figure "4,210";

and on line 4, by deleting the figure "1,050" and inserting in lieu thereof the figure "1,000";

and on line 20, by deleting after the word "and", nine (9.0)";

and on line 23, by deleting after the word "and", "seven and two-tenths (7.2)"

page 32, line 12, by deleting the amount "$35,600,000 and inserting in lieu thereof "$36,700,000";

and on line 13, by deleting the amount "$38,600,000" and inserting in lieu thereof "$40,000,000";

page 35, line 13, by deleting the amount "$853,923,200" and inserting in lieu thereof "$855,307,800";

and on line 14, by deleting the amount "$932,971,900" and inserting in lieu thereof "$935,879,200";

page 36, line 11, by deleting the amount "$5,500,000" and inserting in lieu thereof "$6,000,000";

and on line 12, by deleting the amount "$7,431,900" and inserting in lieu thereof "$8,431,900";

and on line 25, by deleting the amount "$869,597,800" and inserting in lieu thereof "$871,382,400";

and on line 26, by deleting the amount "$951,240,100" and inserting in lieu thereof "$955,147,400";

page 38, line 2, by deleting the amount "$89,308,500" and inserting in lieu thereof "$89,348,700";

and on line 3, by deleting the amount "$101,263,700" and inserting in lieu thereof $101,213,700";

page 39, line 16, by deleting the amount "$958,991,300" and inserting in lieu thereof "$960,816,100";

and on line 17, by deleting the amount "$1,056,452,800" and inserting in lieu thereof "$1,060,310,100";

page 40, line 13, after the word "and" by inserting the amount "$500,000"

page 42, line 23, by deleting the amount "$27,385,800" and inserting in lieu thereof "$27,164,500";

and on line 24, by deleting the amount "$29,694,700" and inserting in lieu thereof "$29,011,800";

page 43, line 21, by deleting the amount "$167,958,100" and inserting in lieu thereof $168,508,100";

and on line 22, by deleting the amount "$194,478,800" and inserting in lieu thereof "$193,018,600";

page 43, after line 25, by inserting the following language:

"Included in the above appropriation for benefits is $1,000,000 in fiscal year 1980-81 and $1,000,000 in fiscal year 1981-82 to continue the Crisis Oriented Program for Emergencies. Also included is $1,500,000 in fiscal year 1980-81 and $1,500,000 in fiscal year 1981-82 for the Aid to Families with Dependent Children-Emergency Assistance Subprogram."

page 45, line 12, by deleting the amount "$85,326,800" and inserting in lieu thereof "$86,801,500";

and on line 13, by deleting the amount "$94,531,500" and inserting in lieu thereof "$95,580,800";

page 45, by deleting lines 14 through 23 in their entirety and inserting in lieu thereof the following:

"Included in the above appropriation for fiscal year 1980-81 is $200,000 for grants for the autistic children program; $7,745,100 for the local mental health administration and grants programs; $600,000 for diabetes screening; $180,000 for the mycology subprogram; $120,400 for the gerontology subprogram; $200,000 for reimbursement of Level II and III perinatal care centers; $100,000 to the Kentucky Easter Seal Society for operation of Camp Kysoc and Camp Green Shores; and $8,576,500 for the local health departments administration grants program.

Included in the above appropriation for fiscal year 1981-82 is $400,000 for grants for the autistic children program; $8,245,100 for the local mental health administration and grants programs; $1,000,000 for diabetes screening; $180,000 for the mycology subprogram; $300,000 for reimbursement of Level II and Level III perinatal care centers; $100,000 to the Kentucky Easter Seal Society for operation of Camp Kysoc and Camp Green Shores; and $9,326,500 for local health departments administration grants program."

page 45, line 26, by deleting the amount "$32,297,100" and inserting in lieu thereof "$32,528,100";

page 46, line 2, following the word "is" by adding "at least $2,182,100 for the Social Services for Adults program; and

and on line 6, following the word "is" by inserting "at least $2,251,015 for the Social Services for Adults program; and";

after line 8, by inserting the following language:

"The percentage share of general fund monies allocated through contract with Regional Mental Health-Mental Retardation Boards for fiscal years 1980-81 and 1981-82 for provision of social services under the state Title XX plan shall be no less than the percentage share allocated to each board in its fiscal year 1979-80 contract with the department."

page 46, line 10, by deleting the amount "$14,727,000" and inserting in lieu thereof "$13,081,400";

and on line 11, by deleting the amount "$14,956,800" and inserting in lieu thereof "$13,456,400";

and on line 14, by deleting the amount "$326,303,000" and inserting in lieu thereof "$326,460,800";

and on line 15, by deleting the amount "$366,566,500" and inserting in lieu thereof "$364,203,300";

and on line 20, by deleting the amount "$36,930,700" and inserting in lieu thereof "$37,150,700";

and on line 21, by deleting the amount "$39,633,400" and inserting in lieu thereof "$39,853,400";

page 47, line 12, by deleting the period following the word "biennium" and inserting in lieu thereof the following: ", and for the establishment of a pool to provide temporary assistance for the offices of the circuit clerks."

and on line 25, by deleting the amount "$44,432,100" and inserting in lieu thereof "$44,652,100";

and on line 26, by deleting the amount "$47,534,800" and inserting in lieu thereof "$47,754,800";

page 49, line 2, by deleting the amount "$1,385,700" and inserting in lieu thereof "$597,500";

and on line 3, by deleting the amount "$50,507,100" and inserting in lieu thereof "$50,307,100";

and on line 4, by deleting the amount "$53,820,400" and inserting in lieu thereof "$53,027,400";

page 50, line 19, by deleting the amount "$1,735,700" and inserting in lieu thereof "$947,500";

and on line 20, by deleting the amount "$102,058,400" and inserting in lieu thereof "$101,858,400";

and on line 21, by deleting the amount "$113,094,700" and inserting in lieu thereof "$112,301,700";

page 107, after line 24, by inserting the following:

"ee. Jefferson Community College Southwest Auditorium/Classroom Wing Bond Fund $1,400,000".

2. Amend Senate Amendment No. 5 as follows:

By deleting Senate Amendment No. 5 in its entirety and inserting in lieu thereof the following:

On page 36, after line 15, by inserting the following:

"Also included in the above appropriations is $500,000 for 1980-81 and $1,000,000 for 1981-82 for the purchase of textbooks for loan to all students in non-public schools. The department may purchase and loan the textbooks or it may transfer these funds to another agency of state government to purchase and loan the textbooks to all students in non-public schools."

3. Amend Senate Amendment No. 9 as follows:

By deleting Senate Amendment No. 9 in its entirety and inserting in lieu thereof the following:

"On page 52, line 10, by deleting "4,858,000" and inserting in lieu thereof "4,409,500";

and on line 11, by deleting "4,447,100" and inserting in lieu thereof "3,974,600";

and on line 21, by deleting lines 21 through 23 in their entirety;

and on page 53, line 5, by deleting "21,226,900" and inserting in lieu thereof "20,778,400"; and

on line 6, by deleting "22,172,800" and inserting in lieu thereof "21,700,300";

and on line 19, by deleting "21,416,700" and inserting in lieu thereof "20,968,200"

and on line 20, by deleting "22,374,700" and inserting in lieu thereof "21,902,200";

and on page 59, line 24, by deleting "8,197,200" and inserting in lieu thereof "8,645,700;

and on page 59, line 25, by deleting "9,727,200" and inserting in lieu thereof "10,199,700";

and on page 60, after line 1, by adding a new paragraph as follows:

"Included in the above appropriation is $448,500 in fiscal year 1980-81 and $472,500 in fiscal year 1981-82 for a small coal operators technical assistance project."

and on line 17, by deleting "11,197,200" and inserting in lieu thereof "11,645,700";

and on line 18, by deleting "15,727,200" and inserting in lieu thereof "16,199,700".

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senate Members Michael R. Moloney, Walter Baker, Lowell Hughes; House Members Joe Clarke, Carl Nett, Allene Craddock, Arthur Schmidt, Buddy Adams, Bob Jones, Woody May.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Clarke moved the adoption of the Free Conference Committee Report on **HB 931.**

Representative Gray moved that consideration of the Free Conference Committee Report on **HB 931** be postponed until after **SB 102** action in the Senate.

On the roll call the vote was yeas 67-Adams, Arnold, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Fryman, Gray, Guenthner, Head, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Little, Lundergan, May, Maynard, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Williams, Wright. Nays 5-DeFalaise, Freibert, List, Wilborn, Worthington.

The motion that consideration of the Free Conference Committee Report on **HB 931** be postponed until after **SB 102** action in the Senate was adopted.

Senate Message

The following letter was received in regard to **SB 116:** The Senate has refused to concur in the House Amendments to **SB 116** and respectfully requests this Honorable Body to recede from its amendments.

The following letter was received in regard to **HB 424:** As requested, the Senate has receded from its amendment to **HB 424** and is returning same for enrollment.

Letter in regard to members appointed to Free Conference Committee on **SB 102:** Senators Quinlan, Hays, and Bunning.

Orders of the Day (continued)

HB 931 taken from Orders of the Day for consideration of Free Conference Committee Report. Agreed.

Representative Clarke moved the adoption of the Free Conference Committee Report on **HB 931.**

On the roll call the vote was yeas 71-Adams, Arnold, Barrows, Bendl, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Hancock, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Mann, May, McKinney, McNutt, Moberly, Morris, Nett, Noe, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Romines, Schmidt, Stone, Stumbo, Thomas, Thomason, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 13-Allen, Burnette, Dawahare, DeFalaise, Fryman, Haering, Lewis, Overstreet, Patrick, Smith, Turner, Van Horn, Williams.

The Free Conference Committee Report on **HB 931** was adopted.

Representative Clarke moved that **HB 931,** as amended, be passed.

On the roll call the vote was yeas 74-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Hancock, Head, Hines, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Worthington, Yates. Nays 16-Allen, Burnette, Caldwell, Dawahare, Freibert, Fryman, Haering, Holbrook, Lewis, Patrick, Schmidt, Turner, Weinberg, Wilborn, Williams, Wright.

HB 931, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 931,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 857, with Senate Committee Substitute attached thereto, taken from Orders of the Day. Representative B. Richardson moved the reading and consideration of the Senate Committee Substitute thereto.

Representative B. Richardson moved that the House concur in the following Senate Committee Substitute to **HB 857:**

HB 857, AN ACT relating to general appropriations to the Legislative Research Commission for the operation, maintenance, support, and functioning of the Legislative Branch of government and its agencies of the Commonwealth of Kentucky and to the Board of Ethics.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART ONE
GENERAL FUND

Section 1. There is appropriated to the Legislative Research Commission out of the General Expenditure Fund for the fiscal year beginning July 1, 1979, and ending June 30, 1980, for the fiscal year beginning July 1, 1980 and ending June 30, 1981; and for the fiscal year beginning July 1, 1981 and ending June 30, 1982 the following sums:

I. GENERAL ASSEMBLY

A. Legislative Services and Session Compensation.

1979-1980	$ 567,709
1980-1981	$ 251,409
1981-1982	$ 2,475,516

Any unexpended balance remaining at the close of the 1980-1981 fiscal year shall not lapse, but shall continue into the 1981-1982 fiscal year.

B. Monthly Expenses and Retirement Contributions for Legislators.

1980-1981	$ 1,453,332
1981-1982	$ 1,156,185

C. Interim Committees; Special Advisory Commissions and Study Committees.

1980-1981	$ 872,900
1981-1982	$ 611,340

Includes funds for operating expenses and staff services of interim joint and interim special subcommittees of the commission as provided for in KRS Chapter 7.110(5). Any unexpended balance remaining at the close of the 1980-1981 fiscal year shall not lapse, but shall continue into the 1981-1982 fiscal year.

D. Electronic Data Processing.

1980-1981	$ 223,000
1981-1982	$ 223,000

Any unexpended balance remaining at the close of the 1980-1981 fiscal year shall not lapse, but shall continue into the 1981-1982 fiscal year.

E. Legislative Interns.

1981-1982	$ 90,000

For the costs of maintaining the legislative intern program during the 1982 session of the General Assembly.

F. Facilities Improvements.

1979-1980	$ 40,000
1980-1981	$ 250,000
1981-1982	$ 50,000

For the cost of improvements and equipment as may be required. Any unexpended balance remaining at the close of the 1980-1981 fiscal year shall not lapse, but shall continue into the 1981-1982 fiscal year.

TOTAL GENERAL ASSEMBLY

1979-1980	$ 607,709
1980-1981	$ 3,050,641
1981-1982	$ 4,606,041

II. LEGISLATIVE RESEARCH COMMISSION

1980-1981	$ 5,697,319

1981-1982	$ 5,776,090

Any unexpended balance remaining at the close of the 1980-1981 fiscal year shall not lapse, but shall continue into the 1981-1982 fiscal year.

GRAND TOTAL LEGISLATIVE

1979-1980	$ 607,709
1980-1981	$ 8,747,960
1981-1982	$10,382,131

PART TWO
TRUST AND AGENCY FUNDS

There is hereby appropriated to the Legislative Research Commission for the fiscal year ending June 30, 1981, and the fiscal year ending June 30, 1982, all the receipts from the sale of publications and administrative regulations, and any unexpended balance remaining in the commission's existing Trust and Agency account at the close of the fiscal year ending June 30, 1980.

PART THREE

The director of the Legislative Research Commission may expend any of the funds appropriated to the commission in any manner and for any purpose which the commission shall authorize or direct. This power shall include the power to transfer funds within accounts or between separate budget items of appropriation, and the power to use excess funds in any account or budget item for other expenditures as are authorized or directed by the commission. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the General Assembly or to the Legislative Research Commission.

PART FOUR

There being an immediate need for certain of the above appropriations which are provided for the current fiscal year, ending June 30, 1980, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

Section 2. There is hereby appropriated to the board of ethics, established pursuant to KRS 6.690, $30,000 for fiscal year 1980-1981, and $30,000 for fiscal year 1981-1982. Any unexpended balance remaining at the close of the 1980-1981 fiscal year shall not lapse, but shall continue into the 1981-1982 fiscal year.

On the roll call the vote was yeas 71-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Clark, Clarke, Crupper, Curd, Cyrus, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Head, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, Mckinney, McNutt, Moberly, Morris, Nett, Noe, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 8-Burnette, Caldwell, Cawood, Freibert, Fryman, Haering, Patrick, Wilborn.

The motion that the House concur in the Senate Committee Substitute to **HB 857** was adopted.

Representative B. Richardson moved that **HB 857,** by way of Senate Committee Substitute, be passed.

On the roll call the vote was yeas 78-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gray, Guenthner, Head, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 4-Burnette, Caldwell, Fryman, Haering.

HB 857, by way of Senate Committee Substitute, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 857,** by way of Senate Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Letter in regard to members appointed to Free Conference Committee on **SB 41;** Senators Meyer, Sheehan, and O'Daniel.

The following letter was received in regard to **HB 66:** This is to advise that the Senate has agreed to the Free Conference Committee Report on **HB 66** and has repassed the bill as amended in Free Conference.

The following letter was received in regard to **HB 462:** This is to advise that the Senate has adopted the Free Conference Report on **HB 462** and has repassed the bill as amended by that Conference.

The following letter was received in regard to **HB 968:** This is to advise that the Senate has agreed to the Free Conference Committee Report on **HB 968** and has repassed the bill as amended in Free Conference.

Proceedings continued on April 2, 1980.

WEDNESDAY, APRIL 2, 1980

FIFTY-EIGHTH LEGISLATIVE DAY

Proceedings continued directly from April 1, 1980.

Orders of the Day (continued)

Representative Jones filed the following Free Conference Committee Report on **HB 968:**

HOUSE BILL 968

The free conference committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

1. That the House concur in Senate amendment #3.

2. That the Senate recede in its Senate amendment #4.

3. Amend Senate amendment #5 as follows:

deleting Senate amendment #5 in its entirety, and inserting in lieu thereof the following:

Page 19, lines 11 and 12, by deleting lines 11 and 12 in their entirety.

4. That the House concur in Senate amendment #7.

5. Amend House Bill 968 as follows:

Page 8, line 12, by inserting after the word "cases", "1.";

and on line 14, by inserting after the comma following the word "consumer", the following:

"or 2. where the department determines that the collection of the taxes due under Section 2 of this Act would be accomplished in a more efficient and effective manner through the severor, or severor and processor, remitting the taxes,"

and on page 9, line 1, by inserting after the period following the word "Act", the following:

"In those cases where the department determines that the collection of the taxes due under Section 2 of this Act from the severance or severance and processing of natural gas would be accomplished in a more efficient and effective manner through the severor, or severor and processor, remitting the taxes, the department shall set out its determination in writing, stating its reasons for so finding, and so advise the severor or severor and processor at least fifteen (15) days in advance of the first reporting period for which such action would be effective."

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Robert Martin, Richard Weisenberger, Kenneth Gibson; Representatives Bob Jones, Pete Worthington, Bruce Blythe.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Jones moved the adoption of the Free Conference Committee Report on **HB 968.**

On the roll call the vote was yeas 55-Adams, Arnold, Barrows, Bennett, Blandford, Boswell, Brinkley, Bronger, Bruce, Burch, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Isler, Jones, Kenton, Kidd, LeMaster, List, Little, Lundergan, May, Maynard, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington. Nays 23-Allen, Bendl, Burnette, Caldwell, DeFalaise, Farrow, Freibert, Fryman, Gray, Haering, Hancock, Head, Hines, Holbrook, Holloway, Layman, Mann, McKinney, Overstreet, Patrick, Plummer, Rattliff, Yates.

The Free Conference Committee Report on **HB 968** was adopted.

Representative Jones moved that **HB 968,** as amended be passed.

On the roll call the vote was yeas 55-Adams, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Foster, Hancock, Isler, Jones, Kenton, LeMaster, Little, Lundergan, Mann, May, McBee, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Stone, Stumbo, Thomas, Thomason, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 26-Allen, Arnold, Burnette, Caldwell, Curd, DeFalaise, Farrow, Freibert, Fryman, Gray, Haering, Head, Hines, Holbrook, Holloway, Layman, List, McKinney, Overstreet, Patrick, Plummer, Rattliff, Robinson, Smith, Turner, Van Horn.

HB 968, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 968,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

The following message was received in regard to **HB 631:** The Senate has refused to concur in the Free Conference Report on House Bill 631.

The following message was received in regard to **HB 830:** The Senate has adopted the Free Conference Report on **HB 830** and has repassed the bill as amended by that Conference.

Orders of the Day (continued)

Representative Bruce filed the following Conference Committee Report on **SB 44:**

The conference committee recommends the following: The Conference Committee on **SB 44** has met in accordance with the Rules of the House and Senate, and has failed to agree. Therefore, the committee respectively requests its respective houses to appoint a Free Conference Committee on **SB 44.**

Signed by: Senators Ed Ford, Walter Baker; Representatives James Bruce, Adrian Arnold, Allene A. Craddock.

Representative Bruce moved the adoption of the Conference Committee Report on **SB 44.** Agreed.

The Speaker appointed the same members to the Free Conference Committee on **SB 44.**

Representative Mann filed the following Conference Committee Report on **SB 41:**

SB 41. The conference committee recommends the following: The Conference Committee could not agree; recommends Free Conference Committee.

Signed by: Senators Ed O'Daniel, Gus Sheehan, Danny Meyer; Representatives Terry Mann, Jerry Bronger, Joel Ellington.

Representative Mann moved the adoption of the Conference Committee Report on **SB 41.** Agreed.

The Speaker appointed the same member to the Free Conference Committee on **SB 41.**

Representative Wilborn filed the following Free Conference Committee Report on **HJR 40:**

The free conference committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

On page 2, line 6, add the word "and" after "causes;"

Delete lines 7 and 8 on page 2

On line 9 delete "(c)" and insert "(b)" in lieu thereof

By adding the following on page 2 after line 12:

"Section 2. That the major intent of the General Assembly in establishing the school building authority was specifically to provide funds for the construction of facilities in qualified school districts needing financial assistance. The primary purpose of the school building authority is to address dire need situations rather than to act as a holding company for school districts.

Section 3. That the General Assembly established the school building authority in to order to insure a quality educational program and to encourage increased local effort in obtaining the necessary financing. Further, the intention is that those schools that are in danger of losing their accreditation due to inadequate facilities or that cannot, because of an inadequate financial base, provide the essential facilities be funded before any other districts."

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Ed O'Daniel, Ed Ford, Charles W. Berger; Representatives W. Stephen Wilborn, Frank Smith, Jody Richards.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Wilborn moved the adoption of the Free Conference Committee Report on **HJR 40.**

On the roll call the vote was yeas 64-Adams, Arnold, Barrows, Bendl, Bennett, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Dunn, Farrow, Foster, Freibert, Gray, Haering, Head, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Plummer, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Turner, Van Horn, White, Wilborn, Williams. Nays 2-Burnette, Craddock.

The Free Conference Committee Report on **HJR 40** was adopted.

Representative Wilborn moved that **HJR 40**, as amended, be passed.

On the roll call the vote was yeas 66-Adams, Barrows, Bendl, Bennett, Blythe, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Clarke, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Gray, Haering, Hancock, Head, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Van Horn, White, Wilborn, Williams. Nays 2-Burnette, Turner.

HJR 40, as amended, was passed and the title agreed to.

Representative Wilborn moved that the vote by which **HJR 40,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

The following message was received in regard to **SB 17:** The Senate has adopted the Conference Report on **SB 17.**

The following message was received in regard to **SB 41:** The Senate has concurred in the Free Conference Report to **SB 41** and has repassed the bill, as amended in Conference.

The following message was received in regard to **HB 344:** The Senate has agreed to the Free Conference Report on **HB 344** and has repassed the bill as amended in Free Conference.

The following message was received in regard to **HB 51:** The Senate has agreed to the Free Conference Report on **HB 51** and has repassed the bill as amended in Free Conference.

The following message was received in regard to **HJR 40:** The Senate has agreed to the Free Conference Report on **HJR 40** and has repassed the bill as amended in Free Conference.

Orders of the Day (continued)

Representative White moved that he be recorded as voting "nay" on **HB 968.** Agreed.

Representative Mann filed the following Free Conference Committee Report on **SB 41:**

The free conference committee has met as provided in the rules of the House and the Senate and hereby reports the following to be adopted: Page 1, line 21, delete the word "Chapter" and insert in lieu thereof the words "Chapters 95 and", plus House Amendment #1.

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Ed O'Daniel, Danny Meyer, Gus Sheehan; Representatives Jerry Bronger, Joel Ellington, Terry L. Mann.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Mann moved the adoption of the Free Conference Committee Report on **SB 41.**

On the roll call the vote was yeas 57-Adams, Arnold, Barrows, Bendl, Bennett, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, DeMarcus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Haering, Hancock, Head, Hines, Holloway, Isler, Kidd, Layman, LeMaster, Lewis, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Richards, P. Richardson, Romines, Smith, Stone, Turner, Van Horn, Williams, Worthington.

The Free Conference Committee Report on **SB 41** was adopted.

Representative Mann moved that **SB 41,** as amended, be passed.

On the roll call the vote was yeas 52-Barrows, Bendl, Bennett, Blythe, Boswell, Brinkley, Burch, Clark, Craddock, Crupper, Curd, Dawahare, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Hancock, Head, Hines, Holbrook, Holloway, Isler, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McNutt, Nett, O'Brien, Petty, Plummer, Priddy, Rapier, B. Richardson, P. Richardson, Romines, Smith, Stone, Turner, Worthington. Nays 9-Adams, Bruce, Caldwell, Cyrus, Gray, McKinney, Morris, Noe, Overstreet.

SB 41, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 41,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 863, with Senate Amendments attached thereto, taken from Orders of the Day. Representative B. Richardson moved that the Senate Amendments thereto be considered. Agreed.

Representative O'Brien moved that the Senate Amendments to **HB 863** be reconsidered.

On the roll call the vote was yeas 52-Adams, Arnold, Bennett, Blandford, Boswell, Brinkley, Bronger, Caldwell, Clark, Clarke, Curd, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Haering, Hines, Holloway, Isler, Johnson, Kenton, Layman, LeMaster, Little, May, Maynard, McBee, Morris, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Rattliff, B. Richardson, Romines, Schmidt, Smith, Stone, Turner, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 3-Blythe, Cyrus, Gray.

The motion that the Senate Amendments to **HB 863** be reconsidered was adopted.

Representative O'Brien moved that the House concur in Senate Amendment No. 1 to **HB 863.**

On the roll call the vote was yeas 40-Adams, Blandford, Boswell, Brinkley, Bronger, Caldwell, Clark, Clarke, Curd, Dawahare, Dunn, Farrow, Foster, Freibert, Haering, Hines, Isler, Kenton, Layman, LeMaster, Little, Mann, May, Maynard, McBee, McKinney, Morris, Noe, O'Brien, Petty, Rapier, Rattliff, B. Richardson, Romines, Schmidt, Smith, Stone, Weinberg, Williams, Worthington. Nays 8-Bendl, Blythe, Cawood, Ellington, McNutt, Robinson, Turner, Van Horn.

The motion that the House concur in Senate Amendment No. 1 to **HB 863** was adopted.

Representative O'Brien moved that the House concur in Senate Amendment No. 2 to **HB 863.**

On the roll call the vote was yeas 46-Adams, Bennett, Blandford, Boswell, Bronger, Caldwell, Clark, Clarke, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Freibert, Haering, Hines, Holbrook, Isler, Kenton, Layman, LeMaster, Mann, May, Maynard, McBee, Morris, Noe, O'Brien, Overstreet, Petty, Rapier, Rattliff, B. Richardson, Romines, Schmidt, Smith, Stone, Thomas, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 5-Bendl, Blythe, Cawood, Ellington, McNutt.

The motion that the House concur in the Senate Amendment No. 2 to **HB 863** was adopted.

Representative O'Brien moved that the House concur in the Senate Amendment No. 3 to **HB 863.**

On the roll call the vote was yeas 47-Adams, Bennett, Blandford, Boswell, Brinkley, Bronger, Caldwell, Clark, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Haering, Hancock, Hines, Holbrook, Isler, Kenton, Kidd, List, Little, Mann, May, McBee, McKinney, Morris, Noe, O'Brien, Overstreet, Petty, Rapier, Rattliff, B. Richardson, Romines, Smith, Thomas, Van Horn, Weinberg, White, Williams, Worthington, Yates. Nays 7-Bendl, Blythe, Cawood, Ellington, McNutt, Turner, Wilborn.

The motion that the House concur in the Senate Amendment No. 3 to **HB 863** was adopted.

Representative O'Brien moved that **HB 863,** as amended by the Senate, be passed.

On the roll call the vote was yeas 49-Arnold, Bennett, Blandford, Boswell, Brinkley, Bronger, Caldwell, Clark, Clarke, Curd, Dawahare, DeFalaise, Deskins, Donnermeyer, Dunn, Foster, Freibert, Haering, Hancock, Hines, Isler, Kenton, Kidd, LeMaster, Little, Mann, May, McBee, Moberly, Morris, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Rattliff, Richards, Romines, Smith, Stone, Thomas, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Yates. Nays 12-Adams, Bendl, Blythe, Cawood, Cyrus, Ellington, Gray, Holbrook, McKinney, McNutt, Robinson, White.

HB 863, as amended by the Senate, was passed and the title agreed to.

Representative O'Brien moved that the vote by which **HB 863,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

The following message was received in regard to **SB 44:** The Senate has agreed to the Free Conference Report on **SB 44** and has repassed the bill as amended by Free Conference.

Representative Bruce filed the following Free Conference Committee Report on **SB 44:**

SENATE BILL 44

The free conference committee has met as provided in the rules of the House and the Senate and hereby reports the following to be adopted:

1. That the Senate concur in House Committee Amendment 1;

2. That the House recede from House Floor Amendment 3; and

3. Amend Senate Bill 44 as follows: page 3, following line 6, by inserting the following:

"(3) (a) No licensed automobile dealer shall be responsible for any tax lien not recorded on the certificate of title and registration presented to the dealer by the seller at the time of the dealer's purchase of the motor vehicle or trailer.

(b) In the event that a tax lien was recorded on the clerk's copy of the certificate of title and registration, but not on the copy of the certificate of title and registration presented to the dealer by the seller at the time of the dealer's purchase of the motor vehicle or trailer, prior to the purchase of the motor vehicle or trailer by the dealer upon presentation of proof to the county clerk that such was the case, the county clerk shall file such proof with his copy of the certificate of title and registration and shall remove the lien."

and by renumbering the subsequent subsections of subsections of Section 2 accordingly.

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Ed Ford, Walter Baker; Representatives Jerry Bronger, Allene A. Craddock, Adrian Arnold.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Bruce moved the adoption of the Free Conference Committee Report on **SB 44**:

On the roll call the vote was yeas 52-Adams, Arnold, Bennett, Blandford, Blythe, Boswell, Brinkley, Bruce, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, DeFalaise, Deskins, Donnermeyer, Dunn, Farrow, Foster, Hancock, Hines, Holbrook, Isler, Jones, Kenton, Kidd, Little, Mann, May, McBee, McKinney, Morris, Noe, O'Brien, Overstreet, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Smith, Stone, Thomas, Van Horn, Weinberg, White, Williams, Worthington. Nays 1-Turner.

The Free Conference Committee Report on **SB 44** was adopted.

Representative Bruce moved that **SB 44,** as amended, be passed.

On the roll call the vote was yeas 50-Adams, Arnold, Barrows, Bennett, Blandford, Blythe, Boswell, Brinkley, Bruce, Burch, Caldwell, Clark, Clarke, Craddock, Crupper, Curd, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Haering, Hancock, Hines, Holbrook, Isler, Kenton, Kidd, Little, Mann, May, McBee, McNutt, Moberly, Morris, Noe, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Romines, Stone, Van Horn, Weinberg, Williams, Worthington. Nays 6-Cyrus, Ellington, Fryman, Gray, Overstreet, Turner.

SB 44, as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 44,** as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 816, with Senate Amendment attached thereto, taken from Orders of the Day. Representative B. Richardson moved that the Senate Amendments thereto be considered. Agreed.

Representative B. Richardson moved that the House concur in Senate Amendment No. 1 to **HB 816.**

On the roll call the vote was yeas 48-Adams, Barrows, Bendl, Blandford, Blythe, Boswell, Bronger, Bruce, Burch, Caldwell, Clark, Clarke, Curd, Cyrus, DeFalaise, Deskins, Donnermeyer, Dunn, Foster, Freibert, Fryman, Gray, Hancock, Hines, Isler, Kenton, Kidd, List, Little, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Noe, Petty, Priddy, Richards, B. Richardson, Romines, Smith, Thomas, Thomason, Van Horn, Weinberg, White. Nays 5-Farrow, Holbrook, McNutt, Turner, Worthington.

The motion that the House concur in Senate Amendment No. 1 to **HB 816** was adopted.

Representative Bruce moved that **HB 816**, as amended by the Senate, be passed.

On the roll call the vote was yeas 57-Adams, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Caldwell, Clark, Clarke, Craddock, Curd, Cyrus, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Hancock, Hines, Holbrook, Isler, Kenton, Kidd, May, McBee, McKinney, McNutt, Morris, Noe, O'Brien, Overstreet, Priddy, Rapier, Richards, B. Richardson, Romines, Schmidt, Smith, Stone, Thomas, Thomason, Turner, Van Horn, Weinberg, White, Williams. Nays 1-Worthington.

HB 816, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 816**, as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Donnermeyer moved that the vote on the Senate Amendment to **HB 631** be reconsidered.

On the roll call the vote was yeas 42-Arnold, Bendl, Bennett, Boswell, Brinkley, Bronger, Burch, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Foster, Freibert, Gray, Hancock, Holbrook, Isler, Kidd, Mann, Maynard, McBee, Morris, Noe, O'Brien, Overstreet, Priddy, Rapier, Richards, P. Richardson, Romines, Stone, Thomas, Turner, Van Horn, Weinberg, White, Wilborn, Williams. Nays 1-Worthington.

The motion that the vote on the Senate Amendment to **HB 631** be reconsidered was adopted.

Representative Hancock moved that the House concur in Senate Amendment No. 2 to **HB 631.**

On the roll call the vote was yeas 46-Adams, Arnold, Barrows, Bendl, Bennett, Blythe, Boswell, Brinkley, Bronger, Bruce, Caldwell, Clark, Clarke, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Freibert, Gray, Guenthner, Hancock, Holbrook, Isler, Kenton, Kidd, LeMaster, List, Little, Mann, Maynard, McBee, Morris, Noe, Overstreet, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Stone, Thomason, Van Horn, Weinberg, Williams. Nays 2-Turner, Worthington.

The motion that the House concur in Senate Amendment No. 2 to **HB 631** was adopted.

Representative Hancock moved that **HB 631,** as amended by the Senate be passed.

On the roll call the vote was yeas 47-Arnold, Barrows, Bendl, Bennett, Boswell, Brinkley, Bronger, Bruce, Burch, Cawood, Clark, Crupper, Curd, Cyrus, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gray, Guenthner, Hancock, Holbrook, Kenton, Kidd, LeMaster, Little, Mann, May, Maynard, McBee, Moberly, Morris, Noe, Petty, Priddy, Rapier, B. Richardson, P. Richardson, Romines, Stone, Van Horn, Weinberg, Wilborn, Williams, Worthington. Nays 10-Adams, Blythe, Clarke, Freibert, Fryman, List, McNutt, Overstreet, Rattliff, Turner.

HB 631, as amended by the Senate, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 631,** as amended by the Senate, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative B. Richardson moved that the rules be suspended for the purpose of acting upon Legislative Citations. Agreed.

Speaker Pro Tempore Hancock presiding.

Representative Donnermeyer moved the adoption of the following Legislative Citation No. 112:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Mrs. Janelle Clinkenbeard, the beautiful and talented twenty-eight year old wife of Mr. James H. Clinkenbeard and mother of one son, Adam, of Belleview, Kentucky. You were crowned Mrs. Kentucky, March 15, 1980 in Louisville, Kentucky with great distinction. Your charming and gracious performance merited for you first-place in both the swimming and evening gown competition. You have been an inspiration and example to the youth of Kentucky in fostering high ideals and worthwhile accomplishments. As a married woman you have proved that the family, education and a career can be achieved through family planning, cooperation and mutual concern for others. Your admirable talents and gifts qualify you for participating in the Mrs. America Pageant in Las Vegas from April 18-26, 1980. Your lofty ambitions and educational goals are most noteworthy. This prestigious body salutes you and wishes you much success in the Mrs. America Pageant. (Sponsored by Representative Donnermeyer)

Agreed.

Representative Deskins moved the adoption of the following Legislative Citation No. 113:

The House of Representatives of the Commonwealth of Kentucky hereby recognizes with deepest compassion the sudden passing of the late Ronald T. Young, husband of Flo Ann Mullins Young of Sidney, Kentucky. He was a great educator influencing and inspiring the lives of many young people. As an ambitious political leader, he served as chairman of a most successful Pike County campaign for Governor John Y. Brown, Jr. He was a member of the United Baptist Church. His fine public service was well reflected in his leadership as a police officer in Washington D.C. and as a thirty-second degree mason. He served with distinction in the service of his country, the Korean conflict. His benevolent spirit and fine contribution will be cherished by those who loved him. This body mourns his passing and extends our deepest sympathy to the family. (Sponsored by Representative Deskins)

Agreed.

Representative Jones moved that the rules be suspended for the introduction of and action upon a Resolution. Agreed.

HR 146, by Representative Jones: A RESOLUTION requesting a study of the prevailing wage law in Kentucky.

Representative Smith moved that the following **HR 146** be committed to the Committee on Appropriations and Revenue.

HR 146, A RESOLUTION requesting a study of the prevailing wage law in Kentucky.

WHEREAS, Kentucky's prevailing wage law has been the source of much controversy; and

WHEREAS, the Comptroller General of the United States has recommended that the Davis-Bacon Act, which is the federal prevailing wage law, be repealed; and

WHEREAS, it has been reported that cities and counties may reduce costs on public projects if the prevailing wage law is repealed;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is requested to direct a study of the economic impact of the Kentucky prevailing wage law on public works projects in the Commonwealth.

Section 2. That the findings and recommendations of the study shall be reported to the appropriate interim committee no later than July 1, 1981.

Section 3. Staff services to be utilized in completing this study are estimated to cost fourteen thousand dollars ($14,000). These staff services shall be provided from the regular commission budget and are subject to the limitations and other research responsibilities of the commission.

On the roll call the vote was yeas 32-Barrows, Bennett, Blandford, Boswell, Bronger, Burch, Cawood, Clark, Clarke, Crupper, Curd, Cyrus, Dunn, Foster, Freibert, Gray, Hancock, Mann, Noe, Priddy, Richards, P. Richardson, Romines, Schmidt, Smith, Stone, Stumbo, Van Horn, Weinberg, White, Wilborn, Williams. Nays 16-Blythe, Caldwell, Craddock, DeFalaise, Ellington, Guenthner, Holbrook, Holloway, Jones, Lundergan, May, Patrick, Rapier, Rattliff, Thomason, Worthington.

The motion that **HR 146** be committed to the Committee on Appropriations and Revenue was adopted.

Speaker Kenton presiding.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 395, HB 245, HB 91, HB 969, HB 20, HB 146, HB 874, HB 251, HB 875, HB 424, HB 122, HB 51, HB 344, HB 576, HB 757,** and **HB 858** had been examined and found correctly enrolled. Said bill read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 395, HB 245, HB 91, HB 969, HB 20, HB 146, HB 874, HB 251, HB 875, HB 424, HB 122, HB 51, HB 344, HB 576, HB 757, and **HB 858** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

Representative Clapp filed the following Free Conference Committee Report on **SB 102:**

The Free conference committee has met as provided in the Rules of the House and the Senate and hereby reports the following to be adopted:

Amend General Assembly copy of **SB 102** on page 5, between lines 1 and 2, to add the following:

"Section 4. KRS 21.375 is amended to read as follows:

[If at the time] A person *who does not have eight (8) years of service in the judicial retirement system but who is a member of that system, or is a former member who has service credit therein in accordance with subsection (2) or (3) of KRS 21.460, shall become vested in the judicial retirement system for benefits attributable to the amount of his actual service credit therein if such service credit, when combined with service credit which he has in, or for which he is receiving benefits from, the Kentucky employes retirement system, county employes retirement system, state police retirement system or teachers retirement system, is equal to eight (8) years of service* [becomes a member of the judicial retirement system he has service credit in the Kentucky employes retirement system, county employes retirement system, state police retirement system, or teachers retirement system, the period of service for which he earned that credit shall be counted toward the eight (8) years of service required for vesting in the judicial retirement system, but shall not be counted as service for the purpose of computation of benefits].

Section 5. KRS 21.460 is amended to read as follows:

(1) If any member of the system ceases, other than by death or by disability retirement under KRS 21.410, to hold an office qualifying him for membership in the system established by KRS 21.350 to 21.480, without having *met the requirements for vesting* [completed eight (8) years of service], he shall be refunded on demand the amount of his accumulated contributions *and any service credit he had in the system shall be nullified* [including, in the case of a circuit judge, contributions made by him under the former KRS 23.350 before he became a member of the system established by KRS 21.350 to 21.510].

(2) The member may elect to leave his contributions in the system, in which event the service credit he had in the system shall be considered to be service credit for vesting purposes as provided in KRS 21.375 and KRS 61.680(6), and, in the event he again becomes a member of the judicial retirement system, shall be counted toward his total service credit in that system.

(3) If a person who has been refunded his contributions in accordance with subsection (1) of this section subsequently becomes a member of the Kentucky employes retirement system, county employes retirement system, state police retirement system, or teachers retirement system, he may while holding such membership repurchase the service credit he previously had in the judicial retirement system by repaying to that system the amount that was refunded to him with interest at six percent (6%) per annum, in which event such service credit shall have operative effect to the same limited extent as provided in subsection (2) of this section.

(4) If *a person who has been refunded his contributions in accordance with subsection (1) of this section* thereafter [he] becomes again the holder of an office qualifying him for membership in the *judicial retirement* system, he shall not be entitled to credit for his prior period of service unless *he has previously repaid his refunded contributions in accordance with subsection (3) of this section or unless* at the time of his election to again participate in the system he repays to the system the amount that was refunded to him *with interest at six percent (6%) per annum.*

Section 6. KRS 61.680 is amended to read as follows:

(1) Every employe shall be deemed to consent and agree to any deduction from his compensation required by KRS 16.505 to 16.652 and 61.510 to 61.692 and 78.510 to 78.852 and to all other provisions thereof.

(2) (a) Notwithstanding any other provisions of KRS 16.505 to 16.652 and 61.510 to 61.692 and 78.510 to 78.852 and 161.220 to 161.715, upon death, disability, or service retirement a member's accounts under the state police retirement system, Kentucky employes retirement system, county employes retirement system and teachers' retirement system shall be consolidated for the purpose of determining eligibility and amount of benefits. The computation of benefits shall be based on the applicable formula in each system and service credit in each system, but the final compensation shall be determined as if all service were in one system. If the member has prior service in more than one system, he must obtain at least twelve (12) months' current service in each system in which he has prior service in order to validate such prior service in each system for purposes of determining consolidated benefits under this section. Upon the determination of benefits each system shall pay the applicable percentage of total benefits.

(b) The provisions of subsection (2)(a) of this section shall be waived if the member notifies the board of his desire to maintain separate retirement accounts in the state police retirement system, Kentucky employes retirement system or county employes retirement system, or if he is a member of the state police retirement system or is working in a hazardous position under the Kentucky employes retirement system or county employes retirement system and as a result of an act in line of duty becomes disabled or deceased.

(c) If the member has not contributed at least one year in a system in which he has prior service his current service in such system shall be valid for purposes of determining eligibility and in computation of benefits on a consolidated basis.

(3) A member with service credit in the Kentucky employes retirement system, state police retirement system or the county employes retirement system who enters the service of a department, board, agency or instrumentality of the Commonwealth whereby such person would be eligible for membership in the judicial retirement system may elect to retain membership in the system in which he is a member, either the Kentucky employes retirement system, state police retirement system or the county employes retirement system. When such an election is made, the agency employing the member shall withhold employe contributions, make employer contributions and remit these contributions to the system in which the member retained his membership.

(4) (a) Prior to July 1, 1976 a person entering the service of an employer participating in the Kentucky employes retirement system or the county employes retirement system with service credit in the teachers' retirement system and who desires to retain membership in the teachers' retirement system, and who is permitted by that system to continue is hereby exempt from participating in the Kentucky employes retirement system or the county employes retirement system.

(b) Any person who has elected to retain membership in the teachers' retirement system as provided in subsection (a) of this section may cancel his election and participate in the system under which his position would normally participate, provided he elects to cancel his option prior to January 1, 1977.

(c) Any member of the general assembly who upon election is a contributing member of the teachers' retirement system may elect to retain membership in the teachers' retirement system during his term of office rather than participate in the Kentucky employes retirement system. Such election to retain membership in the teachers' retirement system must be filed in writing within 90 days after his term or office begins or he will participate in the Kentucky employes retirement system during his term of office. No contributions may be made to the teachers' retirement system for the same period of service under the Kentucky employes retirement system as a member of the general assembly.

(5) Effective July 1, 1974 any member of the Kentucky employes retirement system or county employes retirement system who is working in a position covered by one of these retirement systems and his employe contributions, service credit and employer contributions made on his behalf are being transferred to the other retirement system shall contribute to the system in which his employer participates and no further contributions or service credit shall be transferred to the system in which he elected to retain membership as subsection (2) of this section eliminates the necessity of such transfers.

(6) Notwithstanding the provisions of subsection (3) of this section [and KRS 21.375], a person *who does not have the amount of service required for vesting* [entering membership of the judicial retirement system with service credit] in the state police retirement system, Kentucky employes retirement system, county employes retirement system or teachers' retirement system, *but who is a member of one of such systems or is a former member of one or more of such systems with valid service credit therein,* will become vested for early and normal retirement benefits in each *of such systems* [system] in which he has service credit when his combined service credit in all *such* systems, *plus any service credit he has in the judicial retirement system,* is equal to that required for vesting in each respective system. *The retirement benefits from each system shall be those attributable to the amount of actual service and "final compensation" or "final average salary" in each system.*

SECTION 7. A NEW SECTION OF KRS 21.345 TO 21.520 IS CREATED TO READ AS FOLLOWS:

(1) Effective July 15, 1980, the retirement system established by KRS 21.345 to 21.520 shall include the members of the general assembly upon their election to participate therein in accordance with subsection (2) of this section. The annual accrual rate of general assembly members for service after July 15, 1980 shall be two and seventy-five hundredths percent (2.75%), except that the annual accrual rate for members of the general assembly for service prior to July 1, 1978, and for continuous service thereafter, shall be the same rate as for judges in office on June 30, 1978, and the annual accrual rate for service beginning after July 1, 1978, and for continuous service thereafter, shall be the same as for judges who entered office after July 1, 1978 but before July 15, 1980.

(2) Each member of the general assembly in office on July 15, 1980 may, within thirty (30) days after July 15, 1980, and any member of the general assembly thereafter taking office may within thirty (30) days after taking office, elect to make monthly contributions to the system established by KRS 21.345 to 21.520 in an amount equal to four and one half percent (4 ½%) of his assumed annual salary on a monthly basis. The election shall be effective to establish membership in the system as of July 15, 1980, or as of the date the member thereafter takes office, as the case may be. The election shall be addressed and filed and have effect the same as an election made by a justice or judge under KRS 21.360.

(3) KRS 21.375 notwithstanding, members of the general assembly who elect membership in the judicial retirement system shall have their service in the Kentucky employes' retirement system, county employes' retirement system or teachers' retirement system credited, for the purposes of vesting and determining retirement allowances, to their account in the judicial retirement system. Money attributable to the member in the member's contribution account (KRS 61.575, 78.640), the retirement allowance account (KRS 61.580, 78.650), the teachers' savings fund (KRS 161.420(2) or the state accumulation fund (KRS 161.420(3)) shall be transferred to the judicial retirement board for payment of retirement allowances of members of the general assembly who elect membership in the judicial retirement system.

Section 8. KRS 21.400 is amended to read as follows:

(1) A member who retires on or after his normal retirement date shall receive a service retirement allowance, payable monthly during his lifetime, in an amount per month equal to four and fifteen one hundredths percent (4.15%) of his final compensation multiplied by the number of years of his service, but in no event to exceed one hundred percent (100%) of final compensation, except that for any service performed while a member prior to July 1, 1978, any service prior to July 1, 1962 creditable under KRS 21.345, and any service performed in continued membership (or allowable under KRS 21.410 or 21.420) after June 30, 1978, by a person who was a member on that date, the monthly percentage figure shall be four and one half percent (4.5%), and except that allowances heretofore granted, and rights related thereto, shall not be affected by the 1978 amendment to this section. For this purpose, "final compensation" means the average monthly compensation of the member for the sixty (60) months of service immediately preceding his retirement, including, in the case of a circuit judge, compensation received as special commissioner of the former Court of Appeals. *In the case of members of the General Assembly, the monthly final compensation figure shall be computed on the basis of an assumed annual salary of $18,000 per year, which shall include per*

diem and expense payments authorized by KRS Chapter 6. If, at the time of retirement or death of a member his total period of service in one or more positions covered by the system has not amounted to sixty (60) months, his "final compensation" shall be computed as if he had served in the first position he occupied under the system for such period of time as to bring his total service (in all positions) to sixty (60) months. If that category of position was not in existence for that period, it shall be treated as though it had been in existence for that period and as if the compensation paid for the presumed period of existence was at the rate provided for the category when it in fact first was created.

(2) A member who retires before his normal retirement date shall be vested with the right to receive, when he reaches his normal retirement age, a service retirement allowance computed and payable in accordance with the provisions of subsection (1) of this section, on the basis of the number of years of his actual service.

(3) In lieu of the right provided for in subsection (2) of this section, a member who retires before his normal retirement age may elect, at any time before reaching his normal retirement age, to be paid commencing as of the time of the election a monthly service retirement allowance equal in amount to the monthly allowance that would have become payable under subsection (2) of this section when he reached his normal retirement age, reduced actuarially in accordance with his actual age at the time the election is made.

Section 9. KRS 21.345 is amended to read as follows:

(1) For the purposes of KRS 21.350 to 21.510, "retirement" means a voluntary resignation or a failure of re-election, but does not include a removal for cause.

(2) The word "service" as used in KRS 21.370 to 21.480 means service as a justice of the Supreme Court, *as a member of the General Assembly in accordance with Section 7 of this Act,* as a judge of the Court of Appeals created by Section 111 of the Constitution of Kentucky, as a regular circuit judge, or as a regular judge of the district court, including service in one (1) and then another of those capacities. It also includes service as a judge or commissioner of the former Court of Appeals, or as director of the administrative office of the courts, prior to January 1, 1976, and service continuing beyond that date, in any capacity in or for the Court of Justice, by any person who held the office of commissioner of the former Court of Appeals, or director of the administrative office of the courts, on December 31, 1975. The word "service" embraces only service performed while a member of the retirement system established by KRS 21.350 to 21.510, except that, service in any of the positions hereinabove mentioned, before the judicial retirement system was made applicable to that category of position, shall be included.

(3) For the purposes of KRS 21.345 to 21.510, a "year" of service means a total of twelve (12) months of service, which need not be in the same calendar year. Service in any calendar month shall be deemed to constitute a month of service.

(4) The provisions of this section shall not apply to any director of the administrative office of the courts appointed after January 1, 1976, nor shall they apply to any commissioner of the Court of Appeals not appointed prior to January 1, 1976. The administrative director of the courts and commissioners of the Court of Appeals appointed prior to January 1, 1976, shall continue to be members of the system so long as they continue to render service in any capacity in or for the Court of Justice.

Section 10. KRS 21.350 is amended to read as follows:

(1) Except as provided in subsection (2) of this section, membership in the retirement system established by KRS 21.350 to 21.510 shall consist of, and be confined to, justices of the Supreme Court, judges of the Court of Appeals created by Section 111 of the Constitution of Kentucky, circuit judges, and judges of the district court, who have made an election to participate in accordance with KRS 21.360, *and members of the General Assembly in accordance with Section 7 of this Act.*

(2) Any person who was a member on December 31, 1975, by virtue of holding on that date the office of commissioner of the former Court of Appeals or director of the administrative office of the courts, shall continue in membership so long as he continues to render service in any capacity in or for the Court of Justice.

(3) The limitation of membership made by this section does not affect rights to benefits based on service rendered before the 1978 amendment to this section took effect.

Section 11. KRS 6.211 is amended to read as follows:

Until January 1, 1982 [Effective January 1, 1978], in addition to any and all sums, compensation, or expenses now paid the members of the general assembly and the president of the senate, each shall receive an expense allowance of seventy-five dollars ($75.00) for each calendar day. *On and after January 1, 1982, in addition to any and all sums, compensation, or expenses now paid the members of the general assembly and the president of the senate, each shall receive an expense allowance of one hundred dollars ($100.00) for each calendar day.* This sum shall be paid whether the general assembly is in regular or extraordinary session and shall be in full recompense of any additional expenses incurred in excess of that now received by them.

Section 12. KRS 6.213 is amended to read as follows:

(1) *On and after April 17, 1980,* in addition to the per diem and all allowances provided by law to members of the general assembly of the Commonwealth of Kentucky each member of the legislature is hereby granted an expense allowance of *one thousand* [seven hundred fifty] dollars *($1,000)* [($750)] per month *and on and after January 1, 1982 this amount shall be increased to one thousand two hundred dollars ($1,200) per month* for secretarial assistance, books and periodicals, other reports or publications, conduct of small scale studies related to governmental activity, postage, telephone service, or any other expense incident to performance of the legislator's duties.

(2) The expense allowance provided for herein shall not be payable during any session of the general assembly. For sessions occurring during a part of the month, the expense allowance shall be prorated.

(3) Such expense allowances shall be paid by the state treasury out of the general fund of the Commonwealth upon warrant of the executive department for finance and administration, issued on the certification of the director of the legislative research commission."

and on page 5, line 2, to delete "Section 4." and to insert in lieu thereof "Section 13."

and on page 5, line 5, to delete "Section 5." and to insert in lieu thereof "Section 14."

and on page 5, line 10, to delete "Section 6." and to insert in lieu thereof "Section 15."

and on page 5, below line 12. to add the following:

"Section 16. The provisions set forth in this Act are not severable. If any provision, or its application shall be held to be invalid, all the provisions of this Act shall be invalid."

Direct the Clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senator W. Quinlan; Representatives Lloyd Clapp, W. H. DeMarcus, Bill McBee.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Clapp moved the adoption of the House Majority Free Conference Committee Report.

On the roll call the vote was yeas 38-Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Burch, Clapp, Clark, Crupper, Curd, Cyrus, DeMarcus, Donnermeyer, Dunn, Gray, Guenthner, Hines, Holbrook, Kidd, Little, Maynard, McBee, McKinney, Noe, O'Brien, Petty, Priddy, Rapier, Rattliff, Robinson, Romines, Schmidt, Smith, Stone, Van Horn, White, Williams. Nays 24-Arnold, Bruce, Caldwell, Clarke, DeFalaise, Ellington, Farrow, Freibert, Fryman, Haering, Holloway, Isler, Johnson, LeMaster, Mann, McNutt, Moberly, Morris, Overstreet, Patrick, Richards, Turner, Wilborn, Worthington.

The motion that the House adopt the House Majority Free Conference Committee Report on **SB 102** was adopted.

Representative B. Richardson moved, the Rules of the House notwithstanding, that **SB 102** be the first order of business on April 14, 1980.

On the roll call the vote was yeas 40-Adams, Bendl, Bennett, Blythe, Boswell, Brinkley, Craddock, Crupper, DeFalaise, DeMarcus, Donnermeyer, Dunn, Ellington, Foster, Guenthner, Hines, Isler, Johnson, Kenton, Kidd, LeMaster, Little, Lundergan, Mann, May, McKinney, Moberly, Noe, O'Brien, Petty, Priddy, Richards, B. Richardson, Romines, Schmidt, Smith, Stone, Thomason, Wilborn, Williams. Nays 21-Blandford, Bronger, Caldwell, Cawood, Clapp, Clark, Curd, Cyrus, Farrow, Fryman, Gray, Haering, Holloway, McBee, McNutt, Overstreet, Rattliff, Robinson, Turner, Van Horn, White.

The motion that **SB 102** be the first order of business on April 14, 1980 was adopted.

Representative B. Richardson moved that the rules be suspended for introduction of a Resolution. Agreed.

HCR 149, by Representative B. Richardson: A CONCURRENT RESOLUTION relating to adjournment of the General Assembly.

Representative B. Richardson moved that when the House adjourns, it do so by voice vote. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so until April 14, 1980 at the hour of 2:00 p.m. Agreed.

Representative B. Richardson moved that no other business be conducted on this day except the enrolling of bills and resolutions. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 14, SB 17, SB 257,** and **SB 357** had been examined and found correctly enrolled. Said bill read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Representative B. Richardson moved that the rules be suspended to act upon a Resolution. Agreed.

Representative B. Richardson moved the adoption of the following **HCR 149:**

HCR 149, A CONCURRENT RESOLUTION relating to adjournment of the General Assembly.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That when the House of Representatives and the Senate do adjourn on Tuesday, April 1, 1980, they do so to reconvene on Monday, April 14, 1980.

HCR 149 was adopted by voice vote.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 816, HB 643, HB 830, HB 109, HR 40, HB 857, HB 931, HB 863, SB 41, SB 44, HB 631, HB 66, HB 968,** and **HB 462** has been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 816, HB 643, HB 830, HB 109, HR 40, HB 857, HB 931, HB 863, HB 631, HB 66, HB 968, and **HB 462** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Senate Message

Announcing passage of **HCR 149.**

Adjournment

Representative Barrows moved that the House adjourn until 2:00 p.m., Monday, April 14, 1980.

The motion that the House adjourn was adopted by voice vote.

MONDAY, APRIL 14, 1980

FIFTY-NINTH LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Reverend Beryl Spross, First Church of the Nazarene, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of April 1, 1980 and April 2, 1980 be dispensed with and the same approved. Agreed.

Recess

Representative B. Richardson moved that the House recess until 3:15 p.m.

On the roll call the vote was yeas 49-Adams, Arnold, Bendl, Bennett, Blandford, Boswell, Bronger, Brown, Bruce, Cawood, Craddock, Crupper, Cyrus, Dawahare, Donnermeyer, Farrow, Foster, Fryman, Hancock, Hines, Isler, Kenton, Kidd, Little, Lundergan, Mann, May, McBee, Moberly, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, Reynolds, Richards, B. Richardson, Riner, Sale, Smith, Stone, Thomas, Thomason, Van Horn, Weinberg, Wilborn, Williams, Yates. Nays 22-Allen, Caldwell, Davenport, DeFalaise, Dunn, Gray, Guenthner, Haering, Heleringer, Holbrook, Holloway, Layman, Lewis, List, Maynard, Overstreet, Plummer, Rattliff, Robinson, Romines, Schmidt, Turner.

The motion that the House recess until 3:15 p.m. was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

Representative B. Richardson moved that consideration of **SB 102** be deferred and that it retain its position in Orders of the Day. Agreed.

Representative B. Richardson moved that **HB 91** be referred to the Committee on Appropriations and Revenue.

Representative B. Richardson moved that the motion that **HB 91** be referred to the Committee on Appropriations and Revenue be withdrawn. Agreed.

Representative B. Richardson moved that **HB 91** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HB 91** is as follows:

"By the authority vested in me by Section 88 of the Kentucky Constitution of the Commonwealth of Kentucky, I hereby veto Page 2, lines 25, 26 and Page 3, lines 1 to 4 of **HB 91** because the appropriations contained in this bill are already contained in **SB 39.**

S/Governor John Y. Brown, Jr.
4/9/80"

Representative B. Richardson moved that the Governor's veto of **HB 91** be sustained.

On the roll call the vote was yeas 96-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

The motion that the Governor's veto of **HB 91** be sustained was adopted.

Representative B. Richardson moved that the vote by which the Governor's veto of **HB 91** was sustained be reconsidered and said motion be postponed indefinitely. Agreed.

HB 91 ordered delivered to the Secretary of State.

Representative B. Richardson moved that **HB 141** be referred to the Committee on Judiciary.

On the roll call the vote was yeas 12-Barrows, Bendl, Cawood, Clarke, Hines, Kenton, LeMaster, Mann, Moberly, Noe, Wilborn, Williams. Nays 81-Adams, Allen, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Kidd, Layman, Lewis, List, Little, May, Maynard, McBee, McKinney, McNutt, Morris, Nett, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wright, Yates.

The motion that **HB 141** be referred to the Committee on Judiciary was rejected.

Representative B. Richardson moved that **HB 141** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HB 141** is as follows:

"Pursuant to the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto **HB 141** which alters penalties for drug law violations. I am compelled to take this action based upon the following reasons:

This bill would prohibit the probation, parole or early release of even first offenders. Teenagers and young persons convicted under this bill would have to serve at least one-third of his sentence in prison. This penalty is stronger than the penalty presently applicable to persons dealing with heroin, cocaine and other hard drugs.

The Commonwealth of Kentucky has only recently entered into a settlement agreement in Federal Court whereby current prison population will be reduced substantially over the next year while $42 million is expended to rehabilitate our correctional system. **HB 141,** which denies probation to various drug offenders and requires them to serve a one-third minimum sentence before parole eligibility, will increase prison population by several hundred persons based upon current data, exacerbating our population problems. As these individuals will not be eligible for parole, other prisoners will have to be released to comply with the order's requirements even if they are repeat or violent offenders.

Furthermore, **HB 141** will create apparent inequities in our controlled substances law which do not serve to benefit society. Possession of eight ounces of marijuana will be treated as a more serious offense than possession of large quantities of heroin, cocaine or other controlled substances. Possession of eight ounces of marijuana is made a non-probational felony, while trafficking in controlled substances remains a misdemeanor.

HB 141 will remove from the court the discretion to grant probation in many drug cases, including all those involving trafficking in marijuana or possession of eight ounces or more. Mandatory sentencing of this nature is currently limited to serious violent crimes in Kentucky, and has not been successful in combating drugs in other states. Mandatory prison penalties in marijuana cases will increase the number of jury trials, and demands on the criminal justice system.

The controlled substances statutes of Kentucky should be studied, and amended in a logically consistent manner. **HB 141** fails to provide a framework of fairness in redesigning our drug law, and can only serve to disrupt society and the lives of many potentially-productive citizens.

S/Governor John Y. Brown, Jr.
4/9/80"

Representative B. Richardson moved that **HB 141** be passed, the Governor's veto notwithstanding.

On the roll call the vote was yeas 80-Adams, Allen, Arnold, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Johnson, Jones, Layman, List, Little, Lundergan, May, Maynard, McBee, McKinney, McNutt, Morris, O'Brien, Overstreet, Patrick, Pearman, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Worthington, Wright, Yates. Nays 14-Barrows, Bendl, Brown, Cawood, Clarke, Hines, Kenton, LeMaster, Mann, Moberly, Noe, Schmidt, Wilborn, Williams.

HB 141 was passed over the Governor's veto.

Senate Message

The following message was received in regard to **SB 102:** The Free Conference Committees appointed relative to **SB 102** having failed to agree, the Senate requests this Honorable Body to appoint a new Free Conference Committee to meet with a like Committee from the Senate. The Senators appointed to serve on this Committee are as follows: Senators Baker, Martin, and Sullivan.

The following message was received in regard to **SB 206:** The Senate has overridden the Governor's veto on **SB 206** and would like to be informed of this Honorable Body's veto standing on the bill.

Orders of the Day (continued)

The Speaker announced the appointment of Representatives Clapp, Thomason, and Jones to the Free Conference Committee on **SB 102.**

Representative B. Richardson moved that **HB 251** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HB 251** is as follows:

"By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto **HB 251.** This bill authorizes the purchase of military service credit under the Kentucky Employees Retirement System and directs the state's share of the cost be deemed a necessary governmental expense. Although the bill places a limit on the amount of liability the state would be charged in 1980-81 and 1981-82, it does not place such a limit for future years. The Kentucky Retirement System indicates that the cost of the state for matching eligible members military service credit purchases would exceed $8 million. With a limitation of $150,000 per year, only a small number of individuals - as low as 12-15 persons - could be approved each year of the 1980-82 biennium. No fair and equitable system of determining individual eligibility would be possible with this restriction.

S/Governor John Y. Brown, Jr.
4/9/80"

Representative B. Richardson moved that the Governor's veto of **HB 251** be sustained.

On the roll call the vote was yeas 25-Blandford, Caldwell, Cawood, Clarke, Craddock, DeFalaise, Dunn, Ellington, Hines, Johnson, Jones, Kenton, LeMaster, Lewis, Lundergan, May, Maynard, Nett, Richards, B. Richardson, Stumbo, Thomas, Tobin, Williams, Yates. Nays 65-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Deskins, Donnermeyer, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Layman, List, Little, McBee, McNutt, Moberly, Morris, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright.

The motion that the Governor's veto of **HB 251** be sustained was rejected.

Representative B. Richardson moved that **HB 251** be placed upon its passage, the Governor's veto notwithstanding.

On the roll call the vote was yeas 70-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Farrow, Foster, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Holloway, Isler, Layman, List, Little, Lundergan, Mann, McBee, McNutt, Moberly, Morris, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Worthington, Wright. Nays 22-Caldwell, Cawood, Clarke, Craddock, DeFalaise, DeMarcus, Dunn, Ellington, Hines, Johnson, Jones, Kenton, LeMaster, Lewis, May, Maynard, B. Richardson, Sale, Thomas, Tobin, Williams, Yates.

HB 251 was passed over the Governor's veto.

Representative B. Richardson moved that **HB 275** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HB 275** is as follows:

"By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto **HB 275.** This bill would create an office of State Archaeology which would duplicate the functions of the Kentucky Heritage Commission's historic preservation officer, who currently has the responsibility for determining what is archaeologically significant. It is my determination that we need to avoid duplication of state services wherever we can.

S/Governor John Y. Brown, Jr.
4/9/80"

Representative Nett moved that the House refuse to sustain the Governor's veto of **HB 275.**

On the roll call the vote was yeas 23-Bendl, Bennett, Burch, Cawood, Clark, Dawahare, DeFalaise, Dunn, Guenthner, Heleringer, Hines, Holbrook, Holloway, LeMaster, Maynard, Nett, O'Brien, Priddy, Robinson, Romines, Van Horn, Williams, Worthington. Nays 70-Adams, Allen, Arnold, Barrows, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Bruce, Burnette, Caldwell, Clapp, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, DeMarcus, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Isler, Johnson, Jones, Kenton, Layman, Lewis, List, Little, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Noe, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Weinberg, Wilborn, Wright, Yates.

The motion that the House refuse to sustain the Governor's veto of **HB 275** was rejected.

Representative B. Richardson moved that **HB 318** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HB 318** is as follows:

"By the authority granted by Section 88 of the Kentucky Constitution I am vetoing **HB 318.** The method chosen by which the statute of limitations would accrue under this Act appears to be indefinite in nature since books circulated by a publisher may remain on various booksellers shelves for a period of time that would not, or could not, be ascertained by the publisher or author of the book. Because of the indefiniteness of the time period this legislation might be attacked as arbitrary pursuant to Section II of the Kentucky Constitution.

S/Governor John Y. Brown, Jr.
4/2/80"

Representative Van Horn moved that **HB 318** be passed, the Governor's veto notwithstanding.

On the roll call the vote was yeas 57-Adams, Allen, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Cawood, Clark, Crupper, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Dunn, Farrow, Freibert, Gray, Guenthner, Heleringer, Holbrook, Johnson, Layman, LeMaster, Lewis, List, Little, Mann, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, Romines, Smith, Stone, Stumbo, Van Horn, Weinberg, White, Williams, Wright, Yates. Nays 29-Barrows, Blythe, Burch, Clapp, Clarke, Craddock, DeFalaise, DeMarcus, Deskins, Ellington, Foster, Haering, Holloway, Isler, Jones, Kenton, May, McBee, McKinney, McNutt, Moberly, Morris, Pearman, Sale, Thomas, Thomason, Turner, Wilborn, Worthington.

HB 318 was passed over the Governor's veto.

Representative B. Richardson moved that **HB 395** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HB 395** is as follows:

"By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto **HB 395.** This bill changes the average daily attendance calculations for certain types of classroom units. Although the bill is qualified to the extent that in the event of a conflict with the 1980-82 biennial budget, the budget will prevail over this bill, the proposal could have a devastating effect on future bienniums. In the 1982-84 biennium the change in class sizes for grades from 1 to 3 would cost approximately $12 million each year. Although this reduction in class size may be desirable, it would be more prudent to wait and see what financial resources are available to the state at the time that biennial budget is presented to the General Assembly. In developing our present budget it became obvious there was a problem with previous General Assemblys mandating new programs to take effect during future bienniums, without any provision for funding such programs.

S/Governor John Y. Brown, Jr.
4/9/80"

Representative B. Richardson moved that the veto of **HB 395** be sustained.

On the roll call the vote was yeas 31-Allen, Arnold, Blythe, Bronger, Burch, Clapp, Clark, Clarke, Craddock, Crupper, Donnermeyer, Dunn, Ellington, Freibert, Haering, Hancock, Heleringer, Johnson, Jones, Kenton, List, May, McBee, Nett, O'Brien, Petty, Plummer, B. Richardson, P. Richardson, Sale, Turner. Nays 63-Adams, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Brown, Burnette, Caldwell, Cawood, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Farrow, Fryman, Gray, Guenthner, Head, Hines, Holbrook, Holloway, Isler, Kidd, Layman, LeMaster, Lewis, Little, Mann, Maynard, McKinney, McNutt, Moberly, Morris, Noe, Overstreet, Patrick, Pearman, Priddy, Rapier, Rattliff, Reynolds, Richards, Robinson, Romines, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates.

The motion that the Governor's veto of **HB 395** be sustained was rejected.

Representative B. Richardson moved that **HB 395** be taken from Orders of the Day and placed upon its passage, the Governor's veto notwithstanding.

On the roll call the vote was yeas 76-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Dunn, Farrow, Foster, Fryman, Gray, Guenthner, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kidd, Layman, LeMaster, Lewis, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Pearman, Priddy, Rapier, Reynolds, Richards, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 14-Blythe, Clark, Clarke, Crupper, Freibert, Haering, Johnson, Jones, List, Nett, Plummer, Rattliff, Sale, Turner.

HB 395 was passed over the Governor's veto.

Representative B. Richardson moved that **HB 538** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HB 538** is as follows:

"By the authority granted by Section 88 of the Kentucky Constitution I am vetoing **HB 538.** Enactment of this legislation would result in the extension of Medicaid coverage to include all optometric services for the entire population of Medicaid recipients. The cost of provision of eyeglasses to the expanded population, based on the current average cost of eyeglasses to the program, could exceed $6,234,515 per year—of which $1,990,681 would be state funds. There is no appropriation of state funds to provide this service.

S/Governor John Y. Brown, Jr.
4/2/80"

Representative B. Richardson moved that **HB 538** be placed upon its passage, the Governor's veto notwithstanding.

On the roll call the vote was yeas 81-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Davenport, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Farrow, Foster, Fryman, Gray, Guenthner, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Layman, LeMaster, Lewis, Little, Mann, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 12-Blythe, Caldwell, DeFalaise, Ellington, Freibert, Haering, Hancock, Kenton, List, Reynolds, Thomason, Weinberg.

HB 538 was passed over the Governor's veto.

Representative B. Richardson moved that **HB 544** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HB 544** is as follows:

"By the authority vested in me by Section 88 of the Kentucky Constitution, I hereby veto **HB 544.** This bill would require the Utility Regulatory Commission to consider telephone company estimates of future costs in setting rates. The Commission already considers measurable increases in utility costs, and must grant the utility a reasonable return on investment. Commission decisions are now made within five months after a rate application is filed, thereby allowing telephone companies to file new petitions to recover ongoing cost increases. This bill serves only to unduly complicate and lengthen what is an equitable and efficient rate-making process.

S/Governor John Y. Brown, Jr.
4/3/80"

Representative B. Richardson moved that the Governor's veto of **HB 544** be sustained.

On the roll call the vote was yeas 66-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Brinkley, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Hancock, Head, Heleringer, Isler, Johnson, Jones, Kenton, Kidd, Lewis, List, Little, Lundergan, Mann, May, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Romines, Sale, Stone, Stumbo, Thomas, Thomason, Weinberg, Williams, Worthington, Wright, Yates. Nays 21-Allen, Blandford, Boswell, Bronger, Brown, Burnette, DeFalaise, Farrow, Fryman, Guenthner, Haering, Holbrook Holloway, Maynard, McBee, McNutt, Patrick, Plummer, Rattliff, Tobin, Van Horn.

The motion that the Governor's veto of **HB 544** be sustained was adopted.

Representative B. Richardson moved that **HB 587** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HB 587** is as follows:

"By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto **HB 587.** This bill would extend the responsibility of insurance companies beyond the established common law. Companies would be responsible for agents' employment. The common law is very clear that a company is responsible for its agents' acts within the normal scope of their contract of employment. Extending this liability to the extent **HB 587** does, would place an unreasonable burden on the insurance companies. Agents currently have to meet financial responsibility for their erroneous acts or failures to act due to legislation passed by the 1978 General Assembly.

S/Governor John Y. Brown, Jr
4/9/80"

Representative White moved that **HB 587** be passed, the Governor's veto notwithstanding.

On the roll call the vote was yeas 84-Adams, Allen, Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Fryman, Gray, Guenthner, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Yates. Nays 12-Clarke, Foster, Freibert, Haering, Hancock, List, McNutt, Morris, Pearman, P. Richardson, Sale, Wright.

HB 587 was passed over the Governor's veto.

Representative B. Richardson moved that **HR 21** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HR 21** is as follows:

"By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto **HR 21.** This bill would establish and create a precedent relative to the authority of the Development Cabinet and the Department of Tourism. Those departments must weigh the merits of many requests and make value judgments on each. It is my determination that this bill would create a precedent which would not be in the best interest of the Commonwealth. Furthermore this resolution usurps the executive branch's responsibility to execute the executive budget as passed by the General Assembly.

S/Governor John Y. Brown, Jr.
4/9/80"

Representative B. Richardson moved that the Governor's veto of **HR 21** be sustained.

On the roll call the vote was yeas 96-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Cawood, Clapp, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, Layman, LeMaster, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

The motion that the Governor's veto of **HR 21** be sustained was adopted.

Representative B. Richardson moved that **HCR 6** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **HCR 6** is as follows:

"By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto **HCR 6** which establishes an Oversight Committee to direct development of a regional transportation plan for 49 Appalachian counties. The Department has already conducted studies for the Appalachian Development Highway Program of the Appalachian Regional Commission. In addition, the Department is required by law to maintain studies of the entire state highway system, including Appalachia. Therefore, a duplication of effort by the Department is apparent if this becomes law. This legislation would appear to give preferential planning treatment to a particular area of the state, treatment which other geographic areas are not afforded at this time. An additional study could cost as much as $300,000 to an already financially troubled road system.

S/Governor John Y. Brown, Jr.
4/9/80"

Representative Worthington moved that **HCR 6** be passed, the Governor's veto notwithstanding.

On the roll call the vote was yeas 62-Arnold, Bennett, Blair, Blandford, Boswell, Brinkley, Bronger, Brown, Burnette, Caldwell, Cawood, Crupper, Curd, Cyrus, Davenport, Dawahare, Deskins, Donnermeyer, Farrow, Freibert, Fryman, Gray, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, LeMaster, Lewis, List, Little, Lundergan, May, McKinney, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Plummer, Priddy, Rapier, Reynolds, Richards, Robinson, Romines, Stone, Stumbo, Van Horn, Weinberg, White, Wilborn, Worthington, Wright, Yates. Nays 23-Adams, Allen, Barrows, Bendl, Blythe, Burch, Clapp, Clark, Clarke, Craddock, Dunn, Ellington, Guenthner, Jones, Layman, McBee, McNutt, Morris, Pearman, Rattliff, Sale, Smith, Thomas.

HCR 6 was passed over the Governor's veto.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 7 to **SB 315,** by Representative Haering:

Amend printed copy of **SB 315,** page 3, following line 2 by inserting the following:

"Section 7. KRS 224.021 is amended to read as follows:
(1) There are hereby transferred to and vested in the Secretary and Department all functions, powers and duties, funds, personnel, equipment and supplies relating to emission standards for carburetion systems under provisions of KRS 234.321, which said provisions of law have been conferred upon the Department of Health and upon the Commissioner and other officers and offices of the Department of Health.

(2) Neither the state nor any unit of local government shall impose a tax for the purpose of supporting pollution control programs relating to carburetion system emissions upon any person, or the property of any person, who lives within one (1) mile of a two (2) lane paved road or section thereof, which is twenty (20) or fewer feet in width and which has a traffic count of fifteen thousand (15,000) or more vehicles per day.

Section 8. KRS 234.321 is amended to read as follows:

(1) The tax imposed by KRS 234.320 shall not be collected when the liquefied petroleum gas sold by the dealer is used to propel motor vehicles on the public highways, either within or without this state, when the motor vehicles using the liquefied petroleum gas are equipped with carburetion systems approved by the department for natural resources and environmental protection.

(2) The department for natural resources and environmental protection shall establish emission standards for carburetion systems.

(3) Neither the state nor any unit of local government shall impose a tax for the purpose of supporting pollution control programs relating to carburetion system emissions upon any person, or the property

of any person, who lives within one (1) mile of a two (2) lane paved road, or section thereof, which is twenty (20) or fewer feet in width and which has a traffic county of fifteen thousand (15,000) or more vehicles per day."

Floor Title Amendment to **SB 315**, by Representative Morris:

Amend printed copy of **SB 315**, title, by deleting the words "motor vehicle emission inspections and maintenance" and inserting in lieu thereof: "vehicles."

Floor Amendment No. 6 to **SB 315**, by Representative Morris:

Amend printed copy of **SB 315**, page 3, line 2, after the word "commission" by adding the following:

Section 7. KRS 186A.010 is amended to read as follows:

(1) *An automated motor vehicle and trailer registration and titling system shall be developed and implemented as expeditiously as practicable in all counties of the Commonwealth* [It is the intention of the general assembly that an automated motor vehicle and trailer registration system be developed and that pilot projects be instituted in selected counties, subject to the agreement of the county clerk of a selected county. The counties in which pilot projects shall be instituted shall be selected by the secretary of the department of transportation in consultation with the departments of revenue and justice]. The automated motor vehicle and trailer registration system shall be designed to enable Kentucky's county clerks to produce motor vehicle and trailer certificates of registration in their offices, and certificates of title in Frankfort, by automated means utilizing telecommunication terminals and associated devices supplied by the Commonwealth, to inhibit registration and transfer of stolen motor vehicles or trailers, to improve the capability of detecting and recovering such vehicles, to ensure development of a common vehicle information data base to improve efficiency *in collecting and* [in] auditing motor vehicle usage tax, [and] license fee collections, *and personal property tax*, to provide information to the traffic record system, and to provide improved security interest protection to potential creditors throughout Kentucky while simultaneously reducing the number of forms that must be processed and stored each year in Kentucky.

(2) The department of transportation is hereby directed to develop *as expeditiously as practicable* an automated motor vehicle and trailer registration *and titling* system [design,] having, as a minimum, the capabilities or functions described in this chapter, and to acquire and assure the installation of such equipment or services as are necessary to enable the system as described in this chapter to be *operated in all counties of the Commonwealth* [tested in selected counties].

(3) *All* [The department of transportation is directed to ensure that the system developed will produce the necessary reports in such manner and at such times as the departments of revenue and justice request, to enable these departments to audit the taxes and fees collected by the county clerk in connection with the registration of a motor vehicle or trailer required to be registered in this state, and that the system produces such other information as the department of justice may reasonably require in connection with the registration of a motor vehicle or trailer, in carrying out the duties of that department as they relate to the regulation of motor vehicles or a traffic records system.

(4) The] departments of *state government affected by the system* [revenue and justice] are hereby directed to cooperate with the department of transportation for purposes of assuring orderly implementation of this *Act* [chapter].

SECTION 8. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) (a) The bureau of vehicle regulation shall have full responsibility and authority for day-to-day administration of the automated system and related functions described by this chapter; and

(b) May request the assistance of any department or bureau of state government in carrying out its responsibilities under this Act.

(2) The bureau of vehicle regulation shall assure, to the extent feasible, twenty-four (24) hour, year-around information support to the bureau of state police, and to other law enforcement agencies state and nationwide, regarding vehicles registered and, when required, titled in this state.

SECTION 9. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

In order to improve collection of personal property (ad valorem) taxes associated with motor vehicles and trailers, the bureau of vehicle regulation, in cooperation with the department of revenue, shall:

(1) Ensure that the automated system provided by this chapter is capable of properly assigning a value for each vehicle registered in a county, utilizing a value reference manual in machine readable form approved by the department of revenue, and a manually entered value for vehicles not shown in such "manual."

(2) Promptly study the feasibility of computing personal property (ad valorem) taxes associated with motor vehicles or trailers, and producing tax bills or notices of taxes due in such regard, and if shown feasible to its satisfaction, implement such capability, or any part thereof, as expeditiously as practicable.

(3) Ensure that the automated system is capable of receiving the record of a lien for unpaid personal property (ad valorem) taxes associated with a motor vehicle or trailer and causing notice of such lien to be imprinted on any certificate of registration, certificate of registration and title, or if applicable, certificate of title unless such lien is satisfied or exonerated.

(4) Ensure that the automated system design will permit the county clerk to transfer the record of an unpaid property (ad valorem) tax lien against a motor vehicle or trailer, from a vehicle previously owned by an owner, to another vehicle subsequently registered in his name.

SECTION 10. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Other provisions of the statutes to the contrary notwithstanding, the requirement that a sticker or emblem evidencing security (insurance) be affixed to a motor vehicle shall be waived:

(1) Upon a finding by the commissioner of the department of insurance that the underlying purpose(s) of KRS 304.39-085 may be accomplished by the filing of appropriate evidence of insurance with the county clerk, and entry of data concerning such filing into the automated system provided for by this chapter; and

(2) Upon the implementation of a program approved by the commissioner of the department of insurance consistent with this section.

SECTION 11. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) All motor vehicles with a gross vehicular weight of 10,000 pounds or less, and trailers, first registered, or for which the registration is renewed in this state on or after January 1, 1981, shall be placed in a system of year-round registration based upon the birth month of the owner, in order to distribute the work of registering motor vehicles as uniformly as practicable throughout the twelve (12) months of the year.

(2) If the owner of a motor vehicle or trailer is other than an individual, the month in which the owning entity came into being shall be used for purposes of this section. If a motor vehicle or trailer is jointly owned, the owners shall indicate to the county clerk the birth month of one of them to be used for purposes of this section.

(3) The certificate of registration and license plate issued for a motor vehicle or trailer first registered in this state on or after January 1, 1981, shall be valid, unless cancelled by the department in accordance with KRS Chapter 186 or this chapter, upon payment of the required fee, for a period beginning on the first day of the month of the year in which registration is applied for, and expiring on the last day of the next birth month of the owner following the month during which registration is applied for, provided however that, upon the owner's request, and after payment of the proper prorated fee, an owner may obtain a certificate of registration and license plate valid through the last day of his second birth month following the month and year in which he applies for a first certificate or registration.

(4) After a motor vehicle or trailer has been initially placed in the system of year-round registration, the owner shall renew the registration and license plate annually during the owner's birth month, by making application to the county clerk and paying the fee required for twelve (12) consecutive months of registration, which shall take effect on the first day of the month succeeding the owner's birth month and shall expire on the last day of the owner's next birth month.

(5) Any owner who fails to renew the registration of a motor vehicle during the month in which the previous registration expired, shall, if he applies for renewal of the registration in some later month, pay the same fees that would have been required if the registration had been renewed in the month which the previous registration expired.

(6) Fees which must be prorated in carrying out the intent of this section shall be prorated on the basis of twelfths of the annual registration fee. Any vehicle which is registered at any time during a month, shall pay the fee required for that whole month plus any additional months of registration purchased consistent with the intent of this section.

(7) The county clerk shall ensure that the certificate of registration issued to an owner displays the month and year in which the registration period begins, and the month and year of its expiration, and shall issue to the owner a decal or decals corresponding to the month and year of expiration shown in the certificate of registration which shall be placed upon the corresponding license plate by the owner in the manner required by administrative regulations of the bureau of vehicle regulation.

SECTION 12. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The department of transportation shall ensure that by June 30, 1982, each county in the Commonwealth is equipped with at least one, or more than one, as workload dictates, video telecommunications terminals and associated devices, linked to a computer in Frankfort maintained by the Commonwealth, and capable of enabling the county clerk to produce certificates of registration in their offices, and certificates of title in Frankfort, in a manner consistent with this chapter.

SECTION 13. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The certificate of title blanks required by this chapter shall be designed and printed to make difficult, and facilitate detection of counterfeit likenesses or fraudulent alteration of genuine documents. The bid specifications for the acquisition of the certificate of title blanks shall require, as a minimum:

(1) That bidders have a demonstrable reputation in the printing of currency or securities, and guarantee with an appropriate cash bond that, in addition to any other requirements, the document blanks to be supplied are printed in a secure printing facility, by intaglio steel plate printing process, from line engravings, utilizing a combination of the printing process, unique printing plates, paper, and inks to produce high quality documents designed to:

(a) Be readily recognizable as genuine by a layman, and by extra visual techniques;

(b) Make extremely difficult the manufacture of counterfeit likenesses by direct engraving, photographic or color xerographic means;

(c) Visually reveal actual or attempted alteration or erasure by chemical or mechanical means.

(2) That bidders guarantee production of a specific number of uniquely numbered documents with guaranteed accounting for spoilage, and a guaranteed list of document numbers supplied and those deleted.

(3) That the documents will be shipped to the Commonwealth by an agreed means to assure minimal risk of theft, loss or destruction.

(4) That the plates utilized in printing of the blanks will not be utilized for the printing of certificate of title blanks by other than the bidder pursuant to a lawful contract with the Commonwealth.

SECTION 14. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation, in cooperation with the bureau of state police, shall ensure that the automated vehicle registration and titling system provided for by this chapter will be designed, equipped, and operated so that, under normal conditions, the system will withhold production of a certificate of title until the vehicle identification number of a vehicle for which a title is sought, and when present its license number, has been automatically compared against the law information network Kentucky (LINK) and, unless it refuses to permit such an arrangement, the national crime information center (NCIC) computerized listing of vehicles reported stolen, and a "no stolen report" or its equivalent is received.

SECTION 15. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation is directed to develop, in cooperation with county clerks, auto dealers, and the departments of revenue and insurance and the bureau of state police, a combined vehicle transaction record form to permit, to the extent feasible, the recording on one side of one page, all information pertinent to the initial registration, taxation, and when required, titling, or transfer of registration and title of a vehicle. The form shall be utilized by all applicable parties in connection with the registration, and if required, titling of a vehicle in this state on and after January 1, 1982. The form shall have at least the following characteristics:

(1) An appropriate heading or title.

(2) A statement that the information required by the first or original of the form must be legibly printed in dark blue or black, permanent photo-reproducing ink or indelible pencil, or typed in black, except as to signatures, which shall be originally signed in dark blue or black photo-reproducing ink.

(3) A statement, prominently printed in boldface type, that any person who knowingly enters, or attests to the entry of, false or erroneous information upon the form shall be subject to the penalties of perjury.

(4) A seller or transferror section containing space for the seller or transferror's full legal name, mailing address and telephone number, including telephone area code, and if the seller or transferror is a motor vehicle dealer licensed in this state, a space for recording the dealer license number.

(5) An owner or buyer section, containing space for the owner or buyer's full legal name, mailing address, social security account number, or, if the owner is other than a person, its state or federal employer identification number, telephone number including telephone area code, and owner's birth month.

(6) A vehicle description section with space for the vehicle identification number, and if the vehicle is a motorcycle, a motor number; the make; model name; model number; year model; number of cylinders; style of body; and spaces for designating two colors, single or upper, and lower; and, if the vehicle is a truck, its gross weight.

(7) A section with spaces for recording prior registration and title information to include the previous owner's name, the state in which a vehicle was last registered or titled, and the title number, registration number, and year.

(8) An odometer disclosure section containing all information elements required by applicable federal law, except that, the language of the section shall incorporate by reference the transferror's address, the vehicle description, date of the statement and the transferee's name, address and acknowledgment, which shall appear on the same form, although not necessarily within the same section. Such section shall be imprinted with the warning that knowingly giving false or erroneous information is subject to the penalty of perjury in the second degree.

(9) A transferror's lien declaration section, containing the necessary means to obtain the following information: I __________ warrant that the vehicle described above is not subject to an unterminated lien in the name of a prior owner.

(10) A tax computation section for both new and used cars, consistent with requirements of the department of revenue.

(11) A section for the seller or transferror's certificate of truth and accuracy of the information. The section shall be printed in boldface type and shall read: I __________ (typed or printed name) hereby certify under penalty of perjury and applicable federal and state law and regulations that the foregoing information upon this form is true and correct to the best of my knowledge and belief. __________ (signature)

(12) This language shall be followed by the words and spaces required for a notarial certificate.

(13) An owner or transferee's lien declaration section, containing the necessary means to obtain the following information: I , (owner, transferee) have not applied for a loan in connection with the vehicle described above, and do not expect to do so within thirty (30) days of submission of this application to the county clerk.

(14) A lien information section containing the necessary elements to obtain the following information:

(a) This vehicle shall be subject to lien or liens, not exceeding two, in the name of the applicant, owner or transferee;

(b) A financing statement and required filing fees accompany this application;

(c) Spaces for recording as to a first and second lien, the lienholder's name and mailing address, including zip code; the date the lien was filed; file number (as supplied by the county clerk) and county in which the financing statement is filed;

(d) A statement as to whether a loan has been or will be applied for in connection with the vehicle, and whether a financing statement is expected to be filed within thirty (30) days of submission of this application to the county clerk.

(15) A section for an owner's request for issuance of a regular or special plate.

(16) A section for an owner's request for registration of a vehicle under a special fee classification.

(17) A section for the owner's statement of application for registration and when required, a certificate of title. The section shall state: I __________ (typed or printed name) hereby apply for registration of the vehicle described above, for a license plate of the type indicated, and, if required, a certificate of title. If I have requested that the vehicle be registered under a special use classification provided by statute, I certify that the vehicle will be operated consistent with the registration classification I have indicated. I certify under penalty of perjury that the information I have supplied is true and correct to the best of my knowledge and belief, followed by a space for the owner's signature. This language and space shall be followed by the words and spaces required for a notarial certificate.

(18) A section for the certified vehicle inspector's certificate of inspection of a vehicle from out of state, which shall include words and spaces as indicated: I __________ (printed or typed name and title) of __________ (printed or typed county) telephone area code and telephone number, do hereby certify under penalty of perjury that I have personally and physically inspected the vehicle described above, together with this application and its supporting documents, and the vehicle is as described hereon; the documents supporting this application are consistent with the vehicle description, including the vehicle identification numbers appearing upon this application, and that the vehicle identification number displayed upon the vehicle and supporting documents appear to be in order. The odometer reading at the time of my inspection was __________ miles/kilometers (circle one). The driver's license number of the owner is , state of __________. I hereby certify under penalty of perjury that the information I have given is true and correct to the best of my knowledge and belief. __________(signature) __________ (date).

(19) County clerk's section with words and spaces as appropriate, requiring the county clerk to:

(a) Enter the type, name of the issuer, identifying number and date of issue, of the document supporting the application, together with its document control number (as distinguished from title number) and the taxes and fees to be collected, including the number of months of registration sold, the month and year of expiration, and such decal numbers as may be required to permit audit of fee collections;

(b) Words requiring, and spaces for entry of, the name of the county in which the application was received together with the date and time of receipt, and space for the signature of the clerk or deputy, which shall be preceded by the words "I certify under penalty of perjury that I have reviewed this application and the documents supporting it; all supporting documents indicated hereon are present and consistent in pertinent part with this application, that I received the application on the date and at the time indicated hereon, and that I collected the fees as indicated. __________ (signature of clerk or deputy clerk, date, county).

(20) A statement that "I certify under penalty of perjury that this record was entered with due diligence into the automated system by me at or about ________(time) __________(date) __________(signature) __________ (title).

(21) Spaces for stamping the date and time of receipt of the application by the bureau of vehicle regulation and for the signature or prescribed symbol of the receipt clerk and for endorsements by processing clerks.

(22) A space for endorsement that title issuance was recommended to the bureau of vehicle regulation __________(date, time) by __________(signature) which shall be preceded by the words "I certify under penalty of perjury that due diligence has been exercised in recommending issuance of title No. __________ in the name of the applicant for the vehicle described above __________(signature, date).

(23) The form may contain or require any other information deemed appropriate by the bureau of vehicle regulation in cooperation with the departments of revenue and insurance and the bureau of state police, and may be organized as efficiency dictates.

SECTION 16. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Except as otherwise provided, before the owner of a motor vehicle or trailer may operate it or permit its operation upon the highways of this state, he shall apply for and obtain a certificate of registration, and a license plate therefor in his name, and if the motor vehicle or trailer is of a year model designated 1983, or any year model thereafter, a certificate of title in his name.

SECTION 17. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) If the secretary of the department of transportation determines that each county in the Commonwealth cannot be equipped with operational terminals and associated devices consistent with this chapter, in sufficient time to efficiently implement the titling of vehicles of the year model 1983, or any year thereafter, he shall report such determination in writing, with reasons stated, to the governor not later than January 1, 1982.

(2) The governor may by executive order, extend by one (1) year, to 1984, the first year model of vehicles for which a certificate of title must be obtained in this state. Such order shall be made prior to June 30, 1982.

(3) The secretary of transportation shall, upon issuance of an executive order as provided in this section, give formal notice to appropriate agencies that such extension has been made.

SECTION 18. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No Kentucky certificate of registration, license plate, or certificate of title need be applied for or obtained for:

(1) A vehicle owned by the United States unless it is registered in this state;

(2) A vehicle owned by a manufacturer or dealer and held for sale, even though incidentally moved on the highway or used for purposes of testing or demonstration; or a vehicle used by a manufacturer solely for testing;

(3) A vehicle owned by a non-resident of this state, principally operated in another state, properly and currently registered and titled in another state;

(4) A vehicle regularly engaged in the interstate transportation of persons or property for which a currently effective lawful certificate of title has been issued in another state;

(5) A vehicle moved solely by animal power;

(6) An implement of husbandry;

(7) Special mobile equipment;

(8) A self-propelled wheel chair or invalid tricycle;

(9) A pole trailer;

(10) A motor vehicle engaged in the transportation of passengers for hire operating under a currently valid certificate of convenience and necessity; and

(11) Moped.

SECTION 19. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No county clerk shall accept an application for a certificate of registration, license plate, and when required, a certificate of title, unless the vehicle bears an apparently legitimate vehicle identification number, and if required, an apparently legitimate motor and frame number, as indicated by an owner's application.

SECTION 20. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The owner of a vehicle required to be registered in this state which:

(a) Does not have a legitimate vehicle identification number as affixed by a manufacturer regularly engaged in the original manufacture of the type vehicle for which registration is sought, or in accordance with the law of this or another state, or

(b) Has been built from parts, shall, before making application for registration of the vehicle, apply to the bureau of state police for issuance of a vehicle identification number plate, which shall be affixed to the vehicle in the manner prescribed by administrative regulations of the bureau of state police.

(2) The bureau of state police shall establish in cooperation with the bureau of vehicle regulation regulations governing the form of application required by this section, and may require inspection of the vehicle before a vehicle identification number plate has been issued and after such plate has been affixed to the vehicle.

SECTION 21. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

An owner of a vehicle for which a certificate of registration, license plate, and when required, a certificate of title must be obtained in this state, shall be allowed a ten (10) day grace period from the date on which he purchased a vehicle or brings a vehicle into the Commonwealth from another state, during which time the owner shall apply for and obtain a certificate of registration and a license plate in his name and, if required, apply for a certificate of title.

SECTION 22. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Whenever a vehicle for which a certificate of registration, license plate, and when required, a certificate of title, is operated upon the highways of this state, during the application grace period, the operator of such vehicle shall have proof of ownership in his custody, and shall exhibit such proof upon demand of a law enforcement officer.

SECTION 23. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) A motor vehicle dealer licensed under KRS 186.070 who sells a vehicle for use upon the highways of this state which has not previously been registered in this state, shall, unless the vehicle is bearing a license plate issued therefor in the name of the purchaser at the time it is delivered to the purchaser, equip the vehicle with a temporary tag executed in the manner prescribed below, which shall be valid for ten (10) days from the date the vehicle is delivered to the purchaser. A motor vehicle dealer licensed under KRS 186.070 shall apply to the county clerk of the county in which the dealer maintains his principal place of business for issuance of temporary tags. Application shall be made for such tags on forms supplied to the county clerk by the department of transportation.

(2) The county clerk of any county who receives a proper application for issuance of temporary tags shall record the number of each tag issued upon the application of the dealer for such tags, or if a group of consecutively numbered temporary tags are issued to a dealer in connection with a single application, record the beginning and ending numbers of the group on the application.

(3) The clerk shall retain, for a period of two (2) years, one (1) copy of the dealer's temporary tag application, and ensure that it reflects the numbers appearing on the tags issued with respect to such application, and shall, within five (5) days after issuing temporary tags, forward a copy of the application showing thereon tag numbers issued, postpaid, to the bureau of vehicle regulation.

SECTION 24. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Motor vehicle dealers and their agents, before equipping a vehicle with a temporary tag, shall print or stamp in waterproof ink, legibly, in the spaces provided on such tag:

(1) The month, day and year the vehicle was delivered to the purchaser,

(2) The month, day and year of expiration of the tag which shall be no more than ten (10) days following the date of delivery of the vehicle to the purchaser,

(3) The purchaser's name,

(4) The year model, make and vehicle identification number of the vehicle sold, and

(5) The dealer's name, city of principal place of business and the telephone number including telephone area code.

The dealer's employe who executes the temporary tag shall place his signature in the space provided. A dealer who issues, or whose agents issue, temporary tags shall keep a log of each temporary tag obtained, and each such tag issued, showing all information entered by the dealer or dealer's agent on forms supplied by the department, and shall make such log available for inspection by any law enforcement officer upon request. Such log shall be retained by the dealer for a period of at least two (2) years following the date of issuance of the last dated tags whose issuance is indicated on any individual temporary tag log sheet.

SECTION 25. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Both the dealer and the dealer's salesman or agent shall be liable for separate penalties for issuance of a temporary tag prior to sale of the vehicle on which the tag is placed by the dealer, for placement of a tag on a vehicle other than one purchased by the purchaser shown on such tag, for failure to fully execute as provided in this section a temporary tag which is placed upon a vehicle, and for failure to maintain the records required by this section.

SECTION 26. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Except as otherwise provided in this section, the owner of every vehicle brought into this state and required to be registered in this state, or which is brought into this state by other than a motor vehicle dealer licensed to do business in this state, shall, before submitting his application for registration and when required, title, to the county clerk, have the vehicle together with his application for registration and its supporting documents inspected by a certified inspector in the county in which the application for registration is to be submitted to the county clerk.

(2) The following vehicles are excluded from the requirement of inspection by a certified inspector prior to registration in this state:

(a) New motor vehicles sold by a dealer licensed in this state;

(b) Vehicles required to be registered in this state by reason of lack of a reciprocity agreement with another state and for which a non-negotiable registration document is to be issued; and

(c) Motor vehicles operated by a motor carrier under a non-negotiable certificate or permit issued by the bureau of vehicle regulation.

(3) When presented to a certified inspector for inspection or to a county clerk for processing, the owner's application for a first certificate of registration in his name, and when required, a certificate of title, shall be accompanied by one of the following documents as applicable:

(a) If the vehicle is a new vehicle not previously registered in this state, the properly assigned manufacturer's statement of origin for the vehicle for which registration and when required, a certificate of title is sought.

(b) If the vehicle was last registered in this state, and is a vehicle for which a title is not required in this state, a properly assigned certificate of registration, or, if the vehicle is one for which a certificate of title is required in this state, a properly assigned certificate of title.

(c) If the vehicle was last previously titled in another state, a properly assigned certificate of title.

(4) If the application refers to a vehicle previously registered in another country, the documents of that country establishing ownership of the vehicle.

(5) If the application refers to a vehicle last previously registered in another country by a person on active duty in the armed forces of the United States, the county clerk may accept on behalf of the bureau of vehicle regulation evidence of ownership provided the applicant by the United States department of defense.

(6) If the application relates to a vehicle which has been specially constructed or reconstructed, that fact shall be stated in the application, and the application shall be accompanied by such documents as are specified by administrative regulations of the bureau of vehicle regulation.

(7) When requested to inspect a vehicle pursuant to this section, the certified inspector shall personally and physically inspect the vehicle for which registration is sought in this state, together with the vehicle transaction record form, and its supporting documentation, on the following points:

(a) He shall ensure that the vehicle transaction record and each of its copies are legible and properly executed to the extent required at the time of execution;

(b) He shall compare the vehicle identification number as appearing on both the vehicle identification number plate, and the federal safety standards label of the vehicle which is sought to be registered, with the corresponding number inscribed on the vehicle transaction record, and its supporting documentation, and ensure that the vehicle identification number appearing at each described location appears legitimate and that they are consistent with each other;

(c) He shall examine the primary odometer of the vehicle and legibly record the reading in the space provided in the inspection section of the transaction record; and

(d) After exercising due diligence in inspecting the vehicle, the vehicle transaction record, and its supporting documentation, and finding that they appear to be in order, the certified inspector shall execute the pre-printed certificate of inspection according to its terms by printing in the spaces provided, his first name, middle initial and last name, and his title, the name of the county in which he serves and the telephone number including the telephone area code of his agency, and sign in ink his signature in the space provided, and print the month, day and year in which his inspection was made, certifying under penalty of perjury the character, accuracy and date of his inspection.

(8) The certified inspector shall refrain from executing the certificate of inspection if:

(a) He has not personally and physically inspected the vehicle in accordance with this section;

(b) He has reason to believe that the vehicle displays an unlawfully altered vehicle identification number;

(c) The vehicle transaction record and any of its copies are illegible or otherwise improperly executed, or contain information reasonably believed to be inaccurate or fraudulent;

(d) The documentation required in support of an application is not present, or not consistent with the vehicle and the owner's application or appears fraudulent; or

(e) He has probable cause to believe the vehicle is stolen.

SECTION 27. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Application for a first certificate of registration, license plate, and when required, a certificate of title, shall be made by the owner to the county clerk of the county in which he resides, except that, if a vehicle is purchased from a dealer other than in the county in which the purchaser for use resides, the purchaser, or the dealer on behalf of the purchaser, may make application for registration to the county clerk in either the county in which the purchaser resides, or in the county in which the dealer's principal place of business is located.

(2) A new vehicle, when first registered in this state, shall be registered in the name of the first owner for use rather than in the name of a dealer who held the vehicle for sale.

(3) If the owner of a vehicle required to be registered in this state does not reside in the Commonwealth, the vehicle shall be registered with the county clerk of the county in which the vehicle is principally operated.

(4) If the owner of a vehicle is other than an individual and resides in the Commonwealth, the vehicle shall be registered with the county clerk in either the county in which the owner resides or in the county in which the vehicle is principally operated.

SECTION 28. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Application for a first certificate of registration, and when required, certificate of title, in the name of an owner shall be made on forms prescribed by the bureau of vehicle regulation consistent with this chapter, which shall be available from any county clerk.

(2) Application forms shall be completed, except as to required signatures by legibly printing in ink, or typing, all required information. When a signature is required, such signature shall be given attesting under penalty of perjury to the truth and accuracy of the information supplied.

(3) The application, when presented to the county clerk, shall contain all required information and be fully executed with all required signatures present, and be accompanied by all required supporting documentation and fees.

(4) The county clerk shall reject any application upon which the information provided is not legibly printed or typed, the required information is not supplied, not accompanied by required supporting documents, not properly executed with required signatures, or when the clerk determines that the application is improper or that the applicant is not entitled to registration of the vehicle for which registration, and when required, certificate of title is sought, or in the absence of the required fees.

SECTION 29. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) When the commissioner of the bureau of vehicle regulation determines that the automated vehicle registration and titling system is operational in a county, he shall so notify the county clerk of such county by a notarized statement sent to the county clerk by certified mail.

(2) After receiving the notice provided for by this section, the county clerk shall issue only those certificates of title and registration, or certificates of registration that have been produced through the automated vehicle registration and titling system, unless otherwise authorized by the administrative regulations of the bureau of vehicle regulation.

SECTION 30. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The bureau of vehicle regulation shall provide by administrative regulations, procedures for registration, and when required titling, for a vehicle in a county not equipped with automated facilities provided for by this chapter, or whose facilities have been rendered useless for a period exceeding one (1) day by reason of calamity.

(2) Procedures developed under this section shall be consistent with concepts that liens associated with motor vehicles shall be filed with the county clerk, and that a title shall be issued centrally from Frankfort, after careful review of an application to determine correctness and legitimacy of it.

SECTION 31. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Upon receiving an application of an owner for a first certificate of registration in his name and if required, a certificate of title, the county clerk or deputy clerk shall review the form, and each copy thereof, for legibility, completeness, and consistency of information. The clerk shall ensure that all documents required in support of the application accompany the application and that they are consistent in pertinent part with the statements upon the application.

(2) Upon determining that an application is in proper form, the county clerk or his deputy shall complete those elements of the form reserved to the county clerk, endorse the application in the manner directed

upon the form, and then enter designated information from the application into the automated system, in the manner required by administrative regulations of the bureau of vehicle regulation consistent with this chapter.

SECTION 32. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

In the event that, at the time an application for a certificate of registration, and when required, a title, is presented to the county clerk, the automated system is not capable of accepting entry of the record of an application and producing a certificate of registration, the county clerk shall advise the applicant of the outage, and after accepting the owner's application, and collecting the required taxes and fees, indicate receipt of the application in the required manner, and issue to the applicant, the applicant's copy of the application which shall serve as a temporary certificate of registration until the certificate of registration produced by the automated system is received by the applicant. The clerk shall advise the applicant, or the applicant's agent, that the regular certificate of registration will be mailed to the applicant or the applicant's agent in due course, or held for call by the applicant or the applicant's agent, at the applicant's discretion.

SECTION 33. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

When the automated system becomes operational following a system outage, it shall be the duty of the county clerk to ensure that all applications received during the system outage are promptly entered into the system and that the certificates of registration produced by the automated system are promptly mailed postpaid or delivered to the owner.

SECTION 34. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The county clerk shall, upon issuing a certificate of registration, give or mail postpaid to the owner, his designated copy of his application, and if the seller or transferror's designated copy accompanied the owner's application when it was presented to the county clerk, the clerk shall make that copy available to the seller or transferror.

(2) The county clerk shall then file the clerk's copy of the owner's application in the manner stipulated by administrative regulations of the bureau of vehicle regulation.

(3) The department of revenue copy of the owner's application shall be forwarded to the department of revenue in the manner specified by its regulation.

SECTION 35. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Not later than 3 p.m. on the next business day after an application for a first certificate of registration and a certificate of title for a vehicle of a year model 1983 or any year thereafter, is received by him, the county clerk shall prepare in triplicate on forms supplied by the bureau of vehicle regulation, an application transmittal record.

(1) The clerk shall indicate thereon in the spaces provided, the name of his county, the date or time period the transmittal relates to and, in the order they are to be attached to the transmittal record, a notion for each application attached consisting of the applicant's last name and initials or if the applicant is other than an individual, the name commonly used by the applicant and the tentative title number and any other information required upon the form as indicated thereon.

(2) The clerk shall ensure that the original of all applications noted on the transmittal, together with the original of all required supporting documents are attached to the transmittal record in the order shown thereon, and shall thereafter sign and date the original of the transmittal record as of the date the transmittal is being forwarded to Frankfort.

(3) The county clerk shall place the original of each application record, with the original of each application shown thereon, and its required supporting documents, together with the acknowledgment copy of the transmittal record, in the envelope or other container provided by the bureau of vehicle regulation.

(4) The clerk shall then place the envelope or container with first class postage paid, directly into the hands of an employe of the U. S. postal service who is empowered to receive such mail, or in the alternative, place the envelope or other container into the proper receptacle for first class mail at the main post office of his county.

SECTION 36. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The bureau of vehicle regulation shall:

(a) Within five (5) working days following receipt by it of an application for a certificate of title in proper form, process the application and its supporting documents in the manner provided in this section, and, unless it finds discrepancies with respect to it or its supporting documents, issue a certificate of title in the name of the owner and send it postpaid to such owner.

(b) The bureau of vehicle regulation shall provide by regulation, a procedure for direct delivery, as distinguished from delivery by mail, of a certificate of title to an owner or owner's agent, and may establish a fee deemed reasonable by it for such service.

(2) Upon receiving an application packet from a county clerk, the application receipt clerk of the bureau of vehicle regulation shall:

(a) Cause the date and time of receipt to be stamped on both the bureau's copy and the acknowledgment copy of the application transmittal record and accompanying documents;

(b) Cause at least duplicate sets of microform images to be made of each transmittal record application and supporting document by a means that will provide rapid, selective, automated retrieval of individual document images by appropriate indexing methods or keys;

(c) Compare the application transmittal record with the documents accompanying it, and, if all applications shown upon the record are accompanying the record, endorse the bureau's copy of the transmittal record and the acknowledgment copy, and forward the acknowledgment copy to the clerk who issued it.

(3) In the event there is a discrepancy between the application transmittal record and the applications attached to it, the bureau of vehicle regulation shall note the discrepancy upon the bureau's copy and the acknowledgment copy, and shall promptly contact the issuing clerk and resolve the discrepancy. After resolving the discrepancy, the bureau shall note the nature of the disposition of the discrepancy and endorse the respective copies and forward the acknowledgment copy with the discrepancy disposition noted thereon to the issuing clerk.

(4) After executing the acknowledgment of receipt of applications, the bureau of vehicle regulation shall carry out the following action with respect to each application:

(a) Examine the owner's application for legibility and proper execution, presence of required information, including required supporting documents, and the presence of required signatures. The bureau of vehicle regulation shall ensure also that the required supporting documents are consistent in pertinent part with the information shown on the owner's application;

(b) The documents supporting an owner's application shall be examined as to authenticity and to determine if fraudulent alteration has occurred;

(c) Assure that the vehicle identification number of the subject vehicle is apparently legitimate;

(d) Ensure that the vehicle identification number and any other appropriate information with respect to a vehicle for which a certificate of title has been applied for is compared against the national crime information center (NCIC) computerized listings of vehicles reported stolen, unless NCIC is not operational and the bureau has official notification that it is not expected to be operational within four (4) working days following the day on which an application for a certificate of title is received by it;

(e) Compare the computer produced certificate of title for consistency with the owner's application and supporting documents.

(5) When the title application examination has been completed, and the application examiner at each significant stage has indicated, by placing his unique symbol upon the application in the space provided thereon, that an application has passed the required examinations, the application shall be examined by a title examination certifier.

(6) The title application certifier shall ensure that each application has received the required examinations as indicated by the presence of each required examiner's symbol. Upon satisfying himself that an application has passed the required examinations, the title examination certifier shall place his unique symbol together with the date upon the application.

(7) The bureau of vehicle regulation shall withhold issuance of a title, until its questions are resolved to its satisfaction, when it finds material discrepancies or has information giving probable cause to believe:

(a) That an applicant is not the lawful owner of a vehicle for which he seeks a title;

(b) His application is not in order;

(c) The documentation supporting an application is insufficient or fraudulent;

(d) The vehicle has an illegitimate vehicle identification number;

(e) The vehicle is stolen; or

(f) That the computer produced certificate of title is not consistent with the owner's application.

(8) When the bureau of vehicle regulation finds that a certificate of title should be issued for a vehicle, the endorsement of the commissioner of the bureau of vehicle regulation shall be engrossed upon the certificate of title following a pre-printed statement which shall read: I certify that the bureau of vehicle regulation has exercised due diligence in examining an application for a certificate of title for the above-described vehicle, and to the best of our knowledge and belief, the applicant whose name appears above is the lawful owner of the apparently legitimate vehicle described herein. *(signature)* , commissioner, bureau of vehicle regulation, Kentucky department of transportation.

SECTION 37. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Each certificate of title issued by the bureau of vehicle regulation shall contain:

(1) The date of its issue;

(2) The name, social security account number or employer identification number, and current mailing address of the owner, to include zip code;

(3) The names and address of any lienholders, not exceeding two (2);

(4) The title number;

(5) A description of the vehicle including the following data: year, make, model name, model number, vehicle identification number, type of body, number of cylinders, color or colors not exceeding one upper and one lower color, if the vehicle is a truck, its gross weight;

(6) If last titled in another state, the name of the state and the title number;

(7) Forms for assignment and warranty of title by the owner, and for assignments and warranty of title by dealers;

(8) Any other information the department requires;

(9) A certificate of title issued by the department is prima facie evidence of the facts appearing on it.

SECTION 38. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

An owner who has obtained a certificate of title pursuant to this chapter may apply for and obtain an updated certificate, but shall not be required to periodically renew a certificate of title that has been issued to him.

SECTION 39. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation shall:

(1) Be the custodian of the original of each application for a certificate of title, and its supporting documents. It shall retain such records in accordance with a records retention and destruction schedule established pursuant to the archives and records statutes of this state.

(2) Furnish on a periodic basis not less than quarterly to other states, either the original, or a copy, or listings of all certificates of title received from them, to include title and document control numbers in addition to the vehicle description and owner information.

(3) Maintain active liaison with other states regarding vehicle titling and its auto-theft implications, and obtain from them on a regular basis, listings of documents reported missing or stolen or counterfeit.

SECTION 40. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Financing statements relating to vehicles required to be registered in Kentucky through the county clerk shall be filed in the office of the county clerk of the county in which the debtor resides or, if the debtor is a non-resident, in the office of the county clerk in which the vehicle is principally operated.

(2) Before ownership of a vehicle subject to a lien evidenced by a financing statement executed pursuant to KRS Chapter 355 may be transferred, the transferror shall obtain the release of the prior liens in his name against the vehicle being transferred.

(3) No more than two (2) active financing statements as provided by KRS Chapter 355 may be recorded upon a certificate of registration or a certificate of title.

(4) In recording the filing of a financing statement upon a certificate of registration and, when required, a certificate of title, the county clerk shall ensure that the certificate of title and registration bear the lienholder's name, mailing address and zip code, the date the lien was filed, its file number and the county in which the financing statement is on file.

SECTION 41. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

With respect to a vehicle of a year model prior to 1983, if a financing statement and the required fees accompany the application for first registration of a vehicle in the name of an owner, the county clerk shall enter the information required by Section 35(4) of this Act above into the automated system so as to produce a certificate of registration bearing in addition to any other required information, the information designated by Section 35(4) of this Act and shall immediately mail or give the certificate of registration to the owner.

SECTION 42. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) With respect to a vehicle of a year model prior to 1983, previously registered in the name of its debtor, the secured party shall, within ten (10) days after execution of the security agreement, obtain the current certificate of registration in the name of the debtor, with no more than one prior lien indicated thereon, and present it together with the financing statement and the required fees to the county clerk.

(2) The county clerk, utilizing the automated system, shall immediately produce a new certificate of registration bearing all information shown upon the surrendered certificate, and any other information required by the bureau of vehicle regulation, in addition to the information required by Section 35(4) of this Act above, and promptly deliver or mail postpaid, the new certificate of registration to the owner.

(3) The county clerk shall indelibly mark the surrendered certificate of registration using a device specified by the bureau of vehicle regulation containing the county name and the words "cancelled lien filed"

and shall print or type the chattel number and date and his initials upon the cancelled certificate, which shall be filed with the clerk's numerical copies of the surrendered and current certificates of registration, except as provided in subsection (4) of this section.

(4) If the cancelled surrendered certificate of registration was originally issued in a county other than the one in which the financing statement is filed, the county clerk who cancels a certificate of registration upon issuing a new certificate of registration, shall immediately mail the cancelled certificate, or other form of notice required by the bureau of vehicle regulation, with the new lien information shown thereon, to the clerk of the county in which that certificate of registration was originally issued.

(5) Upon receipt of the cancelled certificate of registration or notice with the new lien information shown thereon, the receiving clerk shall note the security interest on his copy of the certificate and attach the cancelled original certificate with the lien information shown thereon, to the face of his copy thereof in his alpha/numeric file.

SECTION 43. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

If a lien is to be filed with respect to a vehicle which is required to have a certificate of title, the county clerk shall:

(1) If the vehicle has not been last previously registered in this state, and a financing statement and the required fees accompany an owner's application for a first certificate of registration and a certificate of title, the county clerk shall enter into the automated system, all information required to produce a certificate of registration and a certificate of title and, in addition, all lien information required as provided in Section 35(4) of this Act. The clerk shall thereby produce, in accordance with the design of the automated system, a certificate of registration and a certificate of title, both of which shall be imprinted with the lien information required in Section 35(4) of this Act. The application shall be processed and the title mailed to the owner pursuant to the provisions of this Act.

(2) (a) If the vehicle was last previously registered in this state and its title was withheld pending receipt of lien data, the owner or his agent shall surrender to the county clerk the current certificate of registration together with the financing statement and required fees. The clerk shall examine the certificate of registration, and determine from it, whether, at the time of initial registration of the vehicle, the automated system was instructed to withhold production of a certificate of title pending receipt of lien data. If such instruction was given the system, indication of it will, in accordance with the system design, be imprinted within the lien data section of the certificate in the words "title held for lien data," or similar indication.

(b) If the certificate of registration indicates that the certificate of title for the vehicle was withheld, the county clerk shall, using the automated system, recall the record of the vehicle as contained within the system, and verify the data appearing on his terminal, with that on the certificate of registration surrendered to him. If the data appearing on the terminal is consistent with the data on the certificate of registration surrendered to him, and the financing statement is in order, the clerk shall enter the lien data as required by Section 35(4) of this Act and any other required information, thereby causing a new certificate of registration, and a certificate of title to be produced, both bearing the required lien information.

(c) The clerk shall visually verify that the new certificate of registration bears the required lien information before issuing the new certificate to the owner.

(d) The clerk shall indelibly mark the surrendered certificate of registration using a device containing the county name and the words "cancelled — lien filed," and enter the chattel number and date and his initials upon such cancelled certificate.

(e) If the surrendered certificate of registration which has been cancelled was originally issued in another county, the county clerk shall forward the cancelled certificate to the county of origin, or otherwise give notice of the lien filing, in the manner directed by the department of transportation.

(3) (a) If the vehicle against which a financing statement is sought to be filed was last previously registered in this state and a title was not withheld at the time of initial registration, the county clerk shall require the surrender of the current certificate of registration, and if a title was issued for the vehicle, the certificate of title, together with the financing statement and required fees.

(b) If a certificate of title was issued for the vehicle against which a financing statement is sought to be filed, the certificate will, in accordance with the design of the automated system and the data entered into such system by the county clerk, indicate that a title was ordered issued, and therefor is outstanding.

(c) The county clerk shall indelibly cancel the surrendered certificate of registration and the certificate of title, in the manner described in Section 37(3) of this Act and after assigning a chattel number to the financing statement, enter the lien information required by Section 35(4) of this Act into the automated system. Such action shall result in the production of a new certificate of registration, and a new certificate of title, both bearing the same required lien data. The clerk shall issue or mail postpaid to the owner, such new certificate of registration.

(d) The county clerk shall file or handle the cancelled certificate of registration in the manner directed by the bureau of vehicle regulation. The cancelled certificate of title shall be promptly forwarded, together with a transmittal form similar to that used in transmitting original applications, postpaid to the bureau of vehicle regulation.

(e) The bureau of vehicle regulation shall, upon receiving a certificate of title cancelled for lien data, process the cancelled certificate under the same procedures as applied to original applications for certificates of title, and, unless discrepancies are present, forward a new certificate of title, showing lien data thereon, to the owner.

SECTION 44. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Whenever a security interest is assigned as provided by KRS 186.045(4), the county clerk of a county that is operating under automated procedures shall, in addition to carrying out the requirements of him as stated therein, enter the record of lien assignment into the automated system in the manner directed by the bureau of vehicle regulation.

SECTION 45. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Whenever a security interest to a vehicle has been discharged as provided by KRS 186.045(5), the county clerk of a county that is operating under automated procedures shall, upon receiving a termination statement, promptly enter the record of termination into the automated system in the manner directed by the bureau of vehicle regulation, and take such other action with respect to a termination as is directed by the bureau of vehicle regulation.

SECTION 46. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) If an owner transfers his interest in a vehicle, he shall, at the time of the delivery of the vehicle, execute an assignment and warranty of title to the transferee in the space provided therefor on the certificate of title, and execute the applicable portions of the vehicle transaction record provided for by this chapter, and cause the vehicle transaction record with the certificate of title attached to be delivered to the transferree.

(2) The transferree shall, promptly after delivery to him of the vehicle, execute the application for a new certificate of title and registration, or certificate of registration, and when required, certificate of title, by executing the applicable portions of the vehicle transaction record provided to him by his transferor.

(3) The vehicle transaction record with its supporting documentation attached shall promptly be surrendered to the county clerk as provided in Section 21 of this Act, together with the required fees.

SECTION 47. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) With respect to vehicles of a year model 1983 or any year thereafter, when any motor vehicle dealer licensed in this state buys or accepts such a vehicle in trade, which has been previously registered or titled for use, whether in this or another state, and which he holds for resale, he shall not be required to obtain a certificate of title for it, but shall, within ten (10) days after acquiring such vehicle, obtain the registration of it in his name.

(2) Upon purchasing such a vehicle or accepting it in trade, the dealer shall obtain from his transferor, a properly executed vehicle transaction record, to include the odometer disclosure statement thereon, together with a properly assigned certificate of registration and a properly assigned certificate of title, unless the vehicle is from another state and is not accompanied by a certificate of registration.

(3) The dealer shall execute his application for registration upon the vehicle transaction record provided by his transferor, and shall surrender both the transaction record containing his application, together with the properly assigned certificate of registration or other document designated by the bureau of vehicle regulation, to the county clerk of the county in which he maintains his principal place of business. Such clerk shall issue to him as produced through the automated system, a certificate of registration in the name of his dealership.

(4) The dealer shall retain the properly assigned certificate of title received from his transferor, and may make any reassignments thereon until the forms for dealer assignment on both the certificate of title and the certificate of registration issued in his name are exhausted. The bureau of vehicle regulation may, if it deems it warranted, after consultation with the bureau of state police, provide a special document to allow for additional dealer assignments without requiring system generated documents.

(5) When he assigns the vehicle to a purchaser for use, he shall deliver the properly assigned certificate of registration in his name, together with the properly assigned certificate of title, and a properly executed vehicle transaction record, to such purchaser, who shall make application for registration and a certificate of title thereon.

(6) The bureau of vehicle regulation shall assure that the automated system is capable of accepting instructions from the county clerk that a certificate of title shall not be produced under a dealer registration situation.

SECTION 48. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation shall establish appropriate forms and procedures to be utilized in connection with the transfer of a motor vehicle or trailer by operation of law.

SECTION 49. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Nothing in this chapter shall be construed as requiring that a trade-in vehicle received by a motor vehicle dealer licensed in this state must be registered in the dealer's name substantially simultaneously with the registration and titling of the vehicle toward which the trade-in vehicle was received.

SECTION 50. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Whenever any person after making application for or obtaining a certificate of registration for a vehicle, and when required a certificate of title, shall move from the address named in the application or shown upon a registration card or certificate of title, such person shall within ten (10) days thereafter notify the bureau of vehicle regulation in writing of his old and new addresses.

(2) Whenever the name of any person who has made application for or obtained a certificate of registration and, when required, a certificate of title for a vehicle is thereafter changed by marriage or otherwise such person shall within ten (10) days notify the bureau of vehicle regulation of such former and new name.

SECTION 51. A NEW SECTION KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) When any certificate of registration or certificate of title has been issued in error to a person not entitled to the certificate, or contains incorrect information or information has been omitted from the certificates, the bureau of vehicle regulation shall notify in writing the person to whom the certificates have been issued or delivered and such person shall immediately return such certificate within forty eight (48) hours, together with any other information necessary for the adjustment of the records related to it, to the county clerk of the county in which the title was originally applied for, or as otherwise directed by the bureau of vehicle regulation.

(2) Upon receipt of the certificates and information requested, the county clerk and the bureau of vehicle regulation shall coordinate the production of a corrected certificate of registration and certificate of title, and the cancellation of the erroneous documents by the bureau of vehicle regulation, and ensure that corrected documents are sent to the appropriate party.

(3) Production of corrected documents shall be carried out under procedures similar to those applicable to production of an original certificate of title. The bureau of vehicle regulation shall supply to the county clerk such forms as may be needed to assure documentation of corrective action in accordance with this section.

SECTION 52. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) If a certificate of title is lost, stolen, mutilated or destroyed or becomes illegible, the owner or legal representative of the owner named in the certificate, shall promptly make application to the county clerk for and may obtain a duplicate. upon furnishing information satisfactory to the bureau of vehicle regulation. The duplicate certificate of title shall contain appropriate words or symbols to indicate that it is a duplicate. It shall be mailed to the owner.

(2) The bureau of vehicle regulation shall make provisions for production and issuance of a duplicate title where update of information thereon is requested. The provisions shall be generally consistent with the procedures for production and issuance of a certificate of title in the first instance as provided in this chapter.

(3) A person recovering an original certificate of title for which a duplicate has been issued shall promptly surrender the original certificate to the bureau of vehicle regulation.

(4) Applications for documents provided for by this section shall be made to the county clerk upon forms provided to him by the bureau of vehicle regulation.

SECTION 53. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) The bureau of vehicle regulation shall suspend or revoke a certificate of title, after giving notice and providing a reasonable opportunity for the holder to be heard, when authorized by any other provision of law, or, if it finds:

(a) The certificate of title was fraudulently procured or erroneously issued, or

(b) The vehicle has been scrapped, dismantled or destroyed. Suspension or revocation of a certificate of titles does not, in itself, affect the validity of a security interest noted on it.

(2) When the bureau of vehicle regulation suspends or revokes a certificate of title, the owner or person in possession of it shall, immediately upon receiving notice of the suspension or revocation, mail or deliver the certificate to the bureau of vehicle regulation.

(3) The department shall promptly notify the bureau of state police of the suspension or revocation of any certificate of title.

(4) Any peace officer shall seize and impound any certificate of title which has been suspended or revoked except when such document is in the custody of the bureau of vehicle regulation or the bureau of state police.

SECTION 54. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The bureau of vehicle regulation shall promptly notify the bureau of state police of the particulars of:

(1) Any attempted or actual registration or titling in this state of a stolen motor vehicle, or trailer, or motor vehicle or trailer whose true identity is in doubt, of which it becomes aware;

(2) Counterfeit, stolen or altered ownership document it receives; and

(3) Attempts to supply, or supplying to it, of false or fraudulent information in any application for a certificate of registration, certificate of title or salvage certificate for a motor vehicle or trailer in this state.

SECTION 55. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person, including a county clerk and his employes shall wilfully utilize or tamper with a telecommunications terminal, or associated devices, linked to the automated vehicle registration and titling system and capable of entering data or electronic signals into, altering information stored within, or obtaining information or electronic signals from, the automated vehicle registration and titling system unless he has current authorization from the commissioner of the bureau of vehicle regulation to utilize the system;

(2) He has, previous to utilizing such terminal or associated devices in a given county, satisfactorily completed an orientation as given by the bureau of vehicle regulation concerning the forms, procedures, and use of the system, as certified by the county clerk or county clerk elect of the county in which his use of the system will take place; and

(3) He has been assigned, and has received, a unique personal identifying code or device from the bureau of vehicle regulation.

SECTION 56. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Each county clerk, or county clerk elect, shall, before utilizing or permitting his employes to utilize the automated vehicle registration and titling system, ensure that he and his employes have satisfactorily completed an orientation course regarding the forms, procedures and use of the system conducted by the department of transportation.

(2) The county clerk, or county clerk elect, shall certify to the commissioner of the bureau of vehicle regulation, those of his employes or prospective employes, who, together with himself, having satisfactorily completed the required orientation, will utilize the automated system under his direction.

(3) His certification shall be made by printing or typing upon a form supplied by the bureau of vehicle regulation, the name of his county, and as to himself and each of his employes who will utilize the system, their last name, first name, and where available middle initial, their birth date, social security account number, and the date and place the orientation given by the bureau of vehicle regulation was completed, as to each person shown upon the certificate. The county clerk shall sign and date the certificate following a preprinted statement that shall read: I certify under penalty of perjury that the persons whose names appear above have satisfactorily completed an orientation on use of the automated vehicle registration and titling system as provided by this chapter and that the information supplied is true and correct to the best of my knowledge and belief. I will not wilfully permit anyone other than those persons shown hereon, or on another certificate of this same type executed by me, and persons authorized in writing by the bureau of vehicle regulation, to use telecommunications terminals linked to the automated system and under my control.

(4) Each county clerk shall promptly notify the bureau of vehicle regulation on a form supplied by it, of the name of any employe whose authorization to utilize the automated system has been terminated by him or whose employment by such clerk has ceased.

(5) Every county clerk and each of his employes who is authorized to utilize the automated system shall promptly report to the bureau of vehicle regulation any attempted, actual, or suspected misuse of the automated system of which they become aware.

SECTION 57. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Upon receiving notice that a person who has previously been authorized to utilize the automated system has wilfully or negligently misused the automated vehicle registration and titling system, the commissioner of the bureau of vehicle regulation may temporarily suspend such person's authorization to utilize the system.

(2) Whenever he suspends or revokes any person's authorization to utilize the automated vehicle registration and titling system, the commissioner of the bureau of vehicle regulation shall give immediate notice of such revocation to the person whose authorization has been suspended or revoked and if such person is not the county clerk, then notice shall be given also to the county clerk of the county in which the person is employed.

(3) No person whose authorization to utilize the automated system has been suspended or revoked shall utilize such system following notice of such action until his authorization to utilize the system is restored by the commissioner of the bureau of vehicle regulation.

SECTION 58. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No county clerk or other person who is authorized to utilize the automated vehicle registration and titling system, shall knowingly and wilfully enter into such system, information enabling the system to produce a certificate of title and registration, certificate of registration, or certificate of title, or enter the record of a lien or its release, unless he has in his official custody at the time he enters such information into the system, an application which he believes to be bona fide and in proper form, or if the information entry involves a lien, a proper financing or termination statement, which is consistent with the information he enters.

SECTION 59. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

No county clerk or other person shall knowingly and wilfully enter any information or record into a telecommunications terminal or other device connected to the automated vehicle registration and titling system, knowing that the information or record entered into such device is false, fraudulent, illegitimate, or contains erroneous information that:

(1) Creates, or enables the system to create, a certificate of title and registration, certificate of registration, or certificate of title, that is illegitimate or that contains information that is false, fraudulent or erroneous; or

(2) Results in the system storing information or a record that is false, fraudulent or contains erroneous information; or

(3) Fraudulently, illegitimately, or maliciously alters information or records stored within the system.

SECTION 60. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall, without prior specific written approval of the commissioner of the bureau of vehicle regulation and the commissioner of the bureau of computer services, connect with the automated vehicle registration and titling system, directly or indirectly, by wire, electronic, electromagnetic induction, systemic, or any other means, any device, system or apparatus capable of putting information or electronic signals into, or receiving information or electronic signals from, or blocking, diverting, or altering transmission of data or signals within, the automated vehicle registration and titling system, its components, and its communications network.

(2) This section does not apply to or prohibit connection of devices or systems to the automated vehicle registration and titling system by persons who are acting in accordance with a contract or agreement with the Commonwealth of Kentucky, which in addition to any other required approval, has been approved in writing by the commissioner of the bureau of vehicle regulation and the commissioner of the bureau of computer services.

SECTION 61. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) A system operation policy committee shall be established by the bureau of vehicle regulation for the purpose of ensuring that there is an appropriate body charged with advising the commissioner of the bureau of vehicle regulation regarding operation of the automated vehicle registration and titling system.

(2) The committee shall be chaired by a person designated by the commissioner of the bureau of vehicle regulation. Its membership shall be composed of persons designated by the respective agencies as indicated: The departments of transportation and the county clerk's association, two representatives each. The departments of revenue and insurance, one representative. The bureau of computer services and the bureau of state police, one representative each.

(3) Staff support for the committee shall be provided by the bureau of vehicle regulation. The department may reimburse in accordance with state travel regulations, the travel expenses of members in connection with their attendance at meetings of the committee. Meetings of the committee shall be held quarterly and at such other times as the commissioner of the bureau of vehicle regulation may request. The committee shall issue quarterly reports to apprise county clerks and other concerned persons of matters affecting overall system operation, system misuse and error rates, and the recommended action to prevent or reduce the incidence of system misuse and errors.

SECTION 62. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Regardless of other provisions of the statutes, the county clerk may omit sending duplicates of each certificate of title and registration, or certificate of registration he issues, to the departments of transportation and revenue, and the property valuation administrator, and may omit the production and filing of one of the copies formerly known as either the county clerk's alpha or his numeric copy, when it is determined by the agencies indicated that their need for "duplicates" of each certificate or "receipt" is obviated by the automated system.

(2) The bureau of vehicle regulation and the department of revenue shall, as agreed between them, provide appropriate system support or computerized listings on magnetic tape or disc, printouts, or system access, to fulfill the information needs formerly requiring duplicates of each certificate or receipt.

SECTION 63. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Beginning with 1983 year model vehicles, for the current year, as determined each year, and the preceding four years,

(a) Any person or entity having a motor vehicle or trailer that has been destroyed, to the extent that its repair cannot be obtained through usual commercial repair services, at a cost less than its retail value as established from a value manual approved by the Department of Revenue, or from which two (2) or more parts which typically bear a vehicle identification number placed thereon by the manufacturer have been removed, or which he removes, shall surrender the certificate of title for such vehicle for which he has a certificate of title in his or another name, to the county clerk of the county in which such vehicle is located.

(b) Any person or entity engaged in the sale of used motor vehicle or trailer parts, or the recycling or salvage of them, shall surrender the certificate of title for any vehicle in his possession, and for which he has a certificate of title, whether in his or another name, if such vehicle is destroyed within the meaning of subsection (a) of this section, or from which two (2) or more parts which typically bear a vehicle identification number placed thereon by a manufacturer have been removed, or which he removes, to the county clerk of the county in which such vehicle is located.

(c) The surrender of the certificate of title pursuant to this section shall be made within ten (10) working days, next succeeding the day when such vehicle was received, destroyed, or next succeeding the day during which such second part was removed.

(2) Each county clerk shall receive without charge, a certificate surrendered in accordance with Section 57 of this Act, cancel it, and remit it to the bureau of vehicle regulation, and take any other action related to it, as required by the bureau of vehicle regulation.

SECTION 64. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

The owner of a truck regularly operated in this state which is permanently or semi-permanently equipped with a winch, hydraulic, or other lifting device intended to raise one end of a vehicle so that it may be towed, shall before operating it as a tow truck or wrecker:

(1) Have the true name, address, and telephone number, including telephone area code, of its owner, or operator, if it is usually operated in the name of a firm or person other than its owner, permanently and legibly displayed upon each front door of its cab.

(2) The name and address shall be displayed in letters and numbers individually not less than three (3) inches high, and shall be of a color contrasting with the background on which they are displayed.

SECTION 65. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Any person who rents or leases a vehicle to another in this state, or for use in this state, shall:

(1) Maintain a record, beginning on the day on which a renter or lessee takes possession of such vehicle, and ending three (3) years following the date on which the vehicle is returned, which contains with respect to each vehicle rented or leased:

(a) Its year model, make, model name, vehicle identification number, license plate number; and

(b) The renter or lessee's full name, date of birth, social security account number or employer identification number, driver's license number, mailing address and telephone number including telephone area code; and

(c) The starting and ending dates of the renter or lessee's possession of the vehicle.

(2) Any person who has rented or leased a vehicle to another, or the agent of such person, shall make such information available promptly upon the request of a law enforcement officer who presents his official identification during normal business hours, or at other times, if an emergency exists and he is advised of such fact, and given a name, license number, vehicle identification number, or other reasonable information to enable a search of records.

SECTION 66. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person, except as provided in subsection (3) of this section shall have in his possession any blank, uncompleted, or partially executed "certificate of title and registration," "certificate of registration," "certificate of title," or other similarly styled form or document, whether genuine or counterfeit, of this or any other state or country, which is of a type that, when genuine and properly issued, evidences ownership of a vehicle under the laws of this or another state or country, and surrender of which is required in order to sell, transfer, register or title a motor vehicle or trailer in this state.

(2) A person who possesses forms or documents of the type described in subsection (1) of this section, is not in violation of this section if he:

(a) Is an employe of a manufacturer or printer of such forms or documents and possesses such forms or documents in the normal course of the business of design or manufacture of them in connection with bid invitation, bid, or contract with a governmental agency related to supplying such forms for governmental use.

(b) Is an employe of a shipper, or agency, under whose direction such forms are being shipped or delivered to a state or local agency charged with receiving, distributing or issuing such forms or documents, when they are in a container sealed under governmental direction.

(c) Is an employe of a state agency who possesses such forms or documents in the course of carrying out his official duties when his duties are to handle such forms or documents.

(d) Is a county clerk, or employe of a county clerk whose official work duties require the handling of such forms or documents, and he possesses them within the confines of the county clerk's office or official storage space or immediately incidental to placing them in such places.

(e) Possesses such form or document and it is prominently and indelibly marked on its face either: specimen, or void, or sample.

SECTION 67. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall intentionally remove, deface, cover, destroy, alter, or obscure any vehicle identification number, or other distinguishing number, of a motor vehicle or trailer or any part thereof in this state, without written authorization from the bureau of state police, nor shall any person place or stamp, in place of the original manufacturer's serial, motor, or other number or mark upon a vehicle, any number except one assigned thereto by the bureau of state police or authorized agency of another state.

(2) This section does not prohibit the restoration by an owner of the original vehicle identification number when the restoration is authorized by the bureau of state police, nor prevent any manufacturer from placing in the ordinary course of business numbers or marks upon new motor vehicles or new parts thereof.

SECTION 68. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall knowingly buy, sell, offer for sale, receive, or have in his possession, any motor vehicle or trailer or component part thereof, from which the original manufacturer's vehicle identification number, or serial number, has been removed, defaced, altered, obscured or destroyed, unless such vehicle or component part has attached thereto an identification number assigned or approved by the bureau of state police or authorized agency of another state in lieu of the manufacturer's number.

(2) Whenever such vehicle or component part comes into the custody of a peace officer it shall be forfeited under the procedure established in KRS 500.090. Nothing in this section shall, however, preclude the return of such vehicle or parts to the lawful owner thereof following presentation of satisfactory evidence of ownership and assignment of an identification number by the bureau of state police.

SECTION 69. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) No person shall have in his possession a manufacturer's vehicle identification number plate unless it is attached to the vehicle, or vehicle part, to which it was originally affixed by the manufacturer, nor shall any person have any facsimile of such a plate.

(2) This section shall not prohibit possession of legitimate plates by persons:

(a) Whose possession is incident to a contract to supply them to a manufacturer of new motor vehicles, or when such plates are in the possession of a manufacturer of new vehicles, or such manufacturer's employe, who possesses them within the scope of his work, when his work involves the manufacture or storage of such plates, for legitimate placement upon newly manufactured vehicles, legitimate affixing of such plates upon newly manufactured vehicles, or legitimate affixing of a replacement plate.

(b) Who possess such plate immediately incident to transferring it from being legitimately attached to a wrecked part or portion of a vehicle to a replacement part or portion for installation on, or installed on, the same vehicle or which the plate was originally placed by the manufacturer, when such possession and transfer is authorized in writing by the bureau of state police.

(c) Who are authorized in writing, by the supervisor of the bureau of state police auto theft section, to possess such plates.

SECTION 70. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) When any peace officer has probable cause to believe that a motor vehicle or trailer, or any component part of such vehicle is stolen, he shall impound such vehicle or part and notify its lawful owner, and when applicable, the agency to which the theft was reported, of the recovery of such vehicle or part and where it may be claimed.

(2) A vehicle or component part thereof which has been impounded pursuant to this section shall be released to its lawful owner when such owner presents satisfactory evidence of his ownership.

(3) A vehicle or component part thereof that has been impounded under this section, and which has not been claimed within ninety (90) days following notice of recovery to the owner, or if the owner cannot

be located after a reasonable effort, within ninety (90) days following impoundment, is forfeited and shall be disposed of in accordance with KRS 500.090.

SECTION 71. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Any person who has in his possession or control two (2) or more motor vehicles or trailers or their parts:

(a) That are stolen; or

(b) Have had their identity obscured, removed or altered; or

(c) Have stolen parts on them; or

(d) Are comprised of any combination of the above;

Shall be deemed to be trafficking in stolen vehicles or stolen vehicle parts.

(2) Trafficking in stolen vehicle or stolen vehicle parts is a Class C felony.

SECTION 72. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Upon the arrest of any person for violation of this Act the law enforcement officer shall cause the seizure of:

(a) All vehicles held in violation of this Act or of KRS Chapter 514; and

(b) All vehicles and other equipment used to transport property in violation of this Act or of KRS Chapter 514; and

(c) All tools, equipment, and other materials, and all real and personal property used in furtherance of a violation of this Act or of KRS Chapter 514; and

(d) All money or other proceeds from the violation of this Act or of KRS Chapter 514.

(2) Upon the conviction of any person for violation of this Act or KRS Chapter 514 all items listed in subsection (1) shall be forfeited to the state and may be disposed of as provided in KRS Chapter 500.

SECTION 73. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

Any person aggrieved by any administrative action pursuant to this chapter or regulations promulgated pursuant thereto, may appeal such action to a court of competent jurisdiction.

SECTION 74. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

(1) Any person who knowingly gives false, fraudulent, or erroneous information in connection with an application for the registration, and when required, titling of a vehicle, or any application for assignment of a vehicle identification number, or replacement documents, or gives such information in connection with his review of such applications, or falsely certifies the truthfulness and accuracy of information supplied in connection with the registration and when required, titling of a vehicle, shall be guilty of perjury in the second degree.

(2) Any person who violates Sections 50, 52, 54 or 55 of this Act shall be guilty of a Class C felony.

(3) Any person who violates Sections 72, 73, 74, 75, 77 or 78 of this Act shall be guilty of a Class D felony.

(4) Any person who operates a motor vehicle or trailer upon the highways of this state without a temporary tag when one is required, or with one that is expired, improperly executed, or displayed on a vehicle other than the one to which it was legitimately and lawfully issued, shall be guilty of a Class B misdemeanor.

(5) Any person who violates any provisions of this chapter, or regulations promulgated pursuant thereto, and for which a specific penalty is not prescribed by statute, shall be guilty of a Class A misdemeanor.

(6) Criminal remedies or sanctions provided in this chapter are in addition to, and not exclusive of, any other criminal remedies or sanctions provided elsewhere in the statutes.

SECTION 75. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS

Unless the context requires otherwise, terms used in this chapter shall be defined, where applicable, as provided by KRS 186.010.

Section 76. It is the intention of the General Assembly that from the effective date of this Act, until the 1982 regular session of the General Assembly,

(1) The departments of transportation, justice, revenue, insurance, and finance, together with the county clerks, auto dealers, recyclers, and lending institutions, in conjunction with the legislative program review and investigations committee shall consider the feasibility of implementation of the automated system provided for by this Act.

(2) The consideration provided for in subsection (1) of this section shall include consideration of the feasibility of implementing the automated system on a statewide basis.

(3) The legislative program review and investigations committee shall hold meetings, to which it invites representatives of the parties indicated in subsection (1) of this section, not less than quarterly, and prepare interim progress reports on implementation of the automated system provided for by this Act.

(4) The legislative program review and investigations committee shall gather data pertaining to the fiscal impact of the automated system and prepare a final report on implementation of the system in conjunction with the parties indicated in subsection (1) of this section, for submission to the 1982 regular session of the General Assembly, and

By inserting at the end of Section 71 the following:

Section 77. The absence of a specific appropriation regarding this Act is not an expression of a desire to delay implementation of the automated system provided for by this Act nor to prevent the application of funds to it, but is a reflection of the difficult fiscal circumstances facing the Commonwealth at the time of this enactment, accordingly:

(1) The secretary of finance and the governor shall make a diligent effort to located funds for use in expeditious implementation of the automated system provided for by this Act, giving appropriate consideration to proration of costs among the various state agency users of the system, and shall report their progress not less than quarterly to parties listed in Section 71(1) of this Act.

(2) Funds made available for implementation of the automated system provided for by this Act shall not be drawn from the road fund.

(3) The governor and the secretary of finance are empowered to, and shall, apply such funds as they determine to be available to the expeditious implementation of the automated system provided for by this Act.

Floor Amendment No. 8 to **SB 315,** by Representative Burch:

Amend printed copy of **SB 315,** on page 3, following line 2, by inserting the following:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Any vehicles which enter counties in which automobile emission inspection and maintenance programs are established pursuant to this Act, shall be subject to regulations for automobile emissions inspection and maintenance. Operators of said vehicles shall be subject to stops and checks along major routes and bridges entering such counties to insure compliance with this section. The department shall set up mobile emission inspection stations along such major routes to carry out the purposes of this section."

Floor Amendment No. 22 to **SB 102,** by Representative Weinberg:

Amend printed copy of **SB 102,** page 5, between lines 1 and 2 by inserting the following:

"SECTION 4. A NEW SECTION OF KRS 21.345 TO 21.520 IS CREATED TO READ AS FOLLOWS:

(1) Effective July 15, 1980, the retirement system established by KRS 21.345 to 21.520 shall include the members of the general assembly upon their election to participate therein in accordance with subsection (2) of this section. The annual accrual rate of general assembly members for service after July 15, 1980 shall be two and seventy-five hundredths percent (2.75%), except that the annual accrual rate for members of the general assembly for service prior to July 1, 1978, and for continuous service thereafter, shall be the same rate as for judges in office on June 30, 1978, and the annual accrual rate for service beginning after July 1, 1978, and for continuous service thereafter, shall be the same as for judges who entered office after July 1, 1978 but before July 15, 1980.

(2) Each member of the general assembly in office on July 15, 1980 may, within thirty (30) days after July 15, 1980, and any member of the general assembly thereafter taking office may, within thirty (30) days after taking office, elect to make monthly contributions to the system established by KRS 21.345 to 21.520 in an amount equal to five percent (5%) of his assumed annual salary on a monthly basis. The election shall be effective to establish membership in the system as of July 15, 1980, or as of the date the member thereafter takes office, as the case may be. The election shall be addressed and filed and have effect the same as an election made by a justice or judge under KRS 21.360.

(3) KRS 21.375 notwithstanding, members of the general assembly who elect membership in the judicial retirement system shall have their service in the Kentucky employes' retirement system, county employes' retirement system or teachers' retirement system credited, for the purposes of vesting and determining retirement allowances, to their account in the judicial retirement system. Money attributable to the

member in the member's contribution account (KRS 61.575, 78.640), the retirement allowance account (KRS 61.580, 78.650), the teachers' savings fund (KRS 161.420(2)) or the state accumulation fund (KRS 161.420(3)) shall be transferred to the judicial retirement board for payment of retirement allowances of members of the general assembly who elect membership in the judicial retirement system.

Section 5. KRS 21.400 is amended to read as follows:

(1) A member who retires on or after his normal retirement date shall receive a service retirement allowance, payable monthly during his lifetime, in an amount per month equal to four and fifteen one hundredths percent (4.15%) of his final compensation multiplied by the number of years of his service, but in no event to exceed one hundred percent (100%) of final compensation, except that for any service performed while a member prior to July 1, 1978, any service prior to July 1, 1962 creditable under KRS 21.345, and any service performed in continued membership (or allowable under KRS 21.410 or 21.420) after June 30, 1978, by a person who was a member on that date, the monthly percentage figure shall be five percent (5%), and except that allowances heretofore granted, and rights related thereto, shall not be affected by the 1978 amendment to this section. For this purpose, "final compensation" means the average monthly compensation of the member for the sixty (60) months of service immediately preceding his retirement, including, in the case of a circuit judge, compensation received as special commissioner of the former Court of Appeals. *In the case of members of the General Assembly, the monthly final compensation figure shall be computed on the basis of an assumed annual salary of $18,000 per year, which shall include per diem and expense payments authorized by KRS Chapter 6.* If, at the time of retirement or death of a member his total period of service in one or more positions covered by the system has not amounted to sixty (60) months, his "final compensation" shall be computed as if he had served in the first position he occupied under the system for such period of time as to bring his total service (in all positions) to sixty (60) months. If that category of position was not in existence for that period, it shall be treated as though it had been in existence for that period and as if the compensation paid for the presumed period of existence was at the rate provided for the category when it in fact first was created.

(2) A member who retires before his normal retirement date shall be vested with the right to receive, when he reaches his normal retirement age, a service retirement allowance computed and payable in accordance with the provisions of subsection (1) of this section, on the basis of the number of years of his actual service.

(3) In lieu of the right provided for in subsection (2) of this section, a member who retires before his normal retirement age may elect, at any time before reaching his normal retirement age, to be paid commencing as of the time of the election a monthly service retirement allowance equal in amount to the monthly allowance that would have become payable under subsection (2) of this section when he reached his normal retirement age, reduced actuarially in accordance with his actual age at the time the election is made.

Section 6. KRS 21.345 is amended to read as follows:

(1) For the purposes of KRS 21.350 to 21.510, "retirement" means a voluntary resignation or a failure of re-election, but does not include a removal for cause.

(2) The word "service" as used in KRS 21.370 to 21.480 means service as a justice of the Supreme Court, *as a member of the General Assembly in accordance with Section 4 of this Act,* as a judge of the Court of Appeals created by Section 111 of the Constitution of Kentucky, as a regular circuit judge, or as a regular judge of the district court, including service in one (1) and then another of those capacities. It also includes service as a judge or commissioner of the former Court of Appeals, or as director of the administrative office of the courts, prior to January 1, 1976, and service continuing beyond that date, in any capacity in or for the Court of Justice, by any person who held the office of commissioner of the former Court of Appeals, or director of the administrative office of the courts, on December 31, 1975. The word "service" embraces only service performed while a member of the retirement system established by KRS 21.350 to 21.510, except that, service in any of the positions hereinabove mentioned, before the judicial retirement system was made applicable to that category of position, shall be included.

(3) For the purposes of KRS 21.345 to 21.510, a "year" of service means a total of twelve (12) months of service, which need not be in the same calendar year. Service in any calendar month shall be deemed to constitute a month of service.

(4) The provisions of this section shall not apply to any director of the administrative office of the courts appointed after January 1, 1976, nor shall they apply to any commissioner of the Court of Appeals not appointed prior to January 1, 1976. The administrative director of the courts and commissioners of the Court of Appeals appointed prior to January 1, 1976, shall continue to be members of the system so long as they continue to render service in any capacity in or for the Court of Justice.

Section 7. KRS 21.350 is amended to read as follows:

(1) Except as provided in subsection (2) of this section, membership in the retirement system established by KRS 21.350 to 21.510 shall consist of, and be confined to, justices of the Supreme Court, judges of the Court of Appeals created by Section 111 of the Constitution of Kentucky, circuit judges, and judges

of the district court, who have made an election to participate in accordance with KRS 21.360, *and members of the General Assembly in accordance with Section 4 of this Act.*

(2) Any person who was a member on December 31, 1975, by virtue of holding on that date the office of commissioner of the former Court of Appeals or director of the administrative office of the courts, shall continue in membership so long as he continues to render service in any capacity in or for the Court of Justice.

(3) The limitation of membership made by this section does not affect rights to benefits based on service rendered before the 1978 amendment to this section took effect."

And on page 5, line 2, by deleting "Section 4" and inserting in lieu thereof "Section 8"

On page 5, line 5, by deleting "Section 5" and inserting in lieu thereof "Section 9"

On page 5, line 6, by deleting "justices and judges of the" and inserting in lieu thereof "public officials"

On page 5, line 7, by deleting "court of justice and circuit clerks"

On page 5, line 10, by deleting "Section 6" and inserting in lieu thereof "Section 10"

On page 5, line 12, following the word "provisions" by adding "of Sections 1 through 3" and following the word "Act." by adding the following: "There is hereby appropriated from the general fund $4,500,000 for FY 1980-81 and $4,500,000 for FY 1981-82 to carry out the provisions of Sections 4 through 9 of this Act."

On page 5, below line 12, by adding the following:

"Section 11. Out of the appropriations made by **HB 857** of the 1980 General Assembly for legislative retirement, there shall be transferred to the Judicial Retirement Fund all of the amounts appropriated for the employer's contributions to the Kentucky Employes Retirement System for legislators, less such sum as is necessary to pay the contributions to that system for legislators who do not elect to participate in the Judicial Retirement System."

Adjournment

Representative B. Richardson moved that the House adjourn until 10 a.m., Tuesday, April 15, 1980.

On the roll call the vote was yeas 61-Adams, Arnold, Blair, Blandford, Brinkley, Bronger, Brown, Bruce, Caldwell, Cawood, Clapp, Craddock, Crupper, Curd, Cyrus, Davenport, Dawahare, Donnermeyer, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Haering, Hancock, Holbrook, Isler, Johnson, Jones, Kenton, Layman, List, Mann, May, McBee, McKinney, Moberly, Nett, Noe, O'Brien, Pearman, Plummer, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Smith, Stone, Stumbo, Thomas, Thomason, Tobin, Turner, Van Horn, Weinberg, Williams, Worthington, Yates. Nays 14-Bennett, Clarke, DeFalaise, Deskins, Dunn, Heleringer, Holloway, LeMaster, Lewis, Maynard, Priddy, Rattliff, Robinson, Schmidt.

The motion to adjourn was adopted.

TUESDAY, APRIL 15, 1980

SIXTIETH LEGISLATIVE DAY

The House was called to order by Speaker Kenton.

Prayer by Dr. John C. Chenault, First Christian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of April 14, 1980 be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 151, by Representatives Barrows and Wilborn: A RESOLUTION honoring Ken Clevidence, Susan Harding, and the Legislative Research Commission Staff.

HR 152, by Representatives May and B. Richardson: A RESOLUTION relating to public contracts affected by House Bill 968 of the 1980 General Assembly.

HR 153, by Representatives Hancock, List, Moberly, P. Richardson, Jones, Lundergan, Wilborn, Barrows, Cawood, Sale, Crupper, Van Horn, Dawahare, and Lewis: A RESOLUTION requesting continuing federal funding and support of maintaining the Kentucky River for commercial and recreation navigation.

HR 154, by Representative Nett: A RESOLUTION requesting the Legislative Research Commission to study the systems by which air quality in metropolitan areas are measured.

Orders of the Day

Representative B. Richardson announced that **HB 514** would not be considered at this time.

Representative B. Richardson moved that **SB 206** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

The Governor's veto message on **SB 206** is as follows:

By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto **SB 206.** Although our laws concurrently authorize certain types of limited licenses for insurance agents, there are statutory maximums on the amount of insurance that can be written under each of these limited licenses. **SB 206** authorized limited licenses for persons who sell mortgage redemption insurance. Our laws provide no maximum on this type of insurance, nor do they control the term for which the insurance can be written nor the rate which may be charged. It is my opinion that this legislation would result in unnecessary and excessive costs for the consumer, and that it could lead to inadequate training for certain licensed agents.

s/Governor John Y. Brown, Jr.
4/9/80

Representative Petty moved that **SB 206** be passed, the Governor's veto notwithstanding.

Representative White moved that **SB 206** be laid on the Clerk's desk.

Representative Bendl moved that the House recess for twenty minutes.

On the roll call the vote was yeas 39-Barrows, Bendl, Boswell, Brinkley, Bruce, Cawood, Clark, Clarke, Craddock, Curd, Cyrus, Dawahare, DeFalaise, Deskins, Donnermeyer, Foster, Freibert, Hines, Isler, Layman, LeMaster, Lewis, Little, Mann, May, McKinney, Morris, Overstreet, Petty, Priddy, Reynolds, Robinson, Romines, Schmidt, Stone, Tobin, Turner, White, Wilborn. Nays 51-Adams, Allen, Arnold, Bennett, Blandford, Blythe, Bronger, Brown, Burch, Burnette, Caldwell, Crupper, Davenport, DeMarcus, Dunn, Ellington, Farrow, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Holbrook, Johnson, Kenton, Kidd, List, Lundergan, Maynard, Moberly, Noe, Patrick, Pearman, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Sale, Smith, Stumbo, Van Horn, Weinberg, Williams, Worthington, Wright, Yates.

The motion that the House recess was rejected.

Representative White moved that his motion that **SB 206** be laid on the Clerk's desk be withdrawn.

Representative White moved that the House recess until 12 noon.

On the roll call the vote was yeas 50-Allen, Arnold, Bendl, Bennett, Blair, Bronger, Bruce, Cawood, Curd, Cyrus, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Freibert, Fryman, Guenthner, Head, Isler, Kidd, Layman, Lewis, Little, Lundergan, Mann, Maynard, McBee, McKinney, Moberly, Morris, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Reynolds, Robinson, Romines, Schmidt, Smith, Stumbo, Thomas, Tobin, Turner, Van Horn, Weinberg, White, Williams. Nays 43-Adams, Barrows, Blandford, Blythe, Boswell, Brinkley, Burch, Burnette, Caldwell, Clark, Clarke, Craddock, Crupper, Davenport, Ellington, Farrow, Foster, Gray, Haering, Hancock, Heleringer, Hines, Holbrook, Johnson, Kenton, LeMaster, List, May, Nett, Pearman, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Sale, Stone, Wilborn, Worthington, Wright, Yates.

The motion that the House recess until 12 noon was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

SB 206 continued:

Representative White moved that the motion that **SB 106** be laid on the Clerk's desk be withdrawn. Agreed.

Representative Petty moved that **SB 206** be passed, the Governor's veto notwithstanding.

On the roll call the vote was yeas 58-Arnold, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Brown, Burch, Cawood, Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, DeMarcus, Deskins, Donnermeyer, Dunn, Freibert, Gray, Guenthner, Hancock, Heleringer, Hines, Holbrook, Isler, Layman, Lewis, Little, Mann, May, Maynard, McBee, McKinney, Noe, Overstreet, Patrick, Pearman, Petty, Rapier, P. Richardson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Tobin, Van Horn, Weinberg, White, Wilborn, Worthington, Yates. Nays 30-Adams, Barrows, Brinkley, Bruce, Caldwell, Clarke, Davenport, Ellington, Farrow, Foster, Fryman, Haering, Head, Holloway, Kenton, Kidd, LeMaster, List, Lundergan, McNutt, Moberly, Morris, O'Brien, Plummer, Rattliff, Reynolds, Richards, B. Richardson, Turner, Wright.

SB 206 was passed over the Governor's veto.

Representative B. Richardson moved that the rules be suspended for consideration of Resolutions. Agreed

Representative B. Richardson moved the adoption of the following **HR 152:**

HR 152, A RESOLUTION relating to public contracts affected by House Bill 968 of the 1980 General Assembly.

WHEREAS, the 1980 General Assembly has enacted House Bill 968, imposing a tax of 4.5 percent on the severance of certain natural resources not previously subject to such tax; and

WHEREAS, certain contracts for delivery of such natural resources, particularly crushed stone, to the state have been negotiated by the Department of Transportation, and awarded to bidders not having taken such tax into account when submitting such bids; and

WHEREAS, the imposition of such severance tax becomes effective in many instances after the submission of such bids and the award of such contracts, but prior to performance of the terms of the contract, thereby imposing an additional cost of such performance not anticipated at the time such bid was submitted;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Department of Transportation be and it is hereby requested to adjust certain contract prices to compensate recipients of bid awards for the 4.5 percent severance tax imposed by 1980 House Bill 968 on crushed stone which involves highway contracts awarded, but not performed prior to the effective date of said House Bill 968.

Section 2. That the Clerk is hereby directed to transmit a copy of this resolution to the Secretary of Transportation.

On the roll call the vote was yeas 83-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, Lewis, List, Little, Lundergan, May, Maynard, McBee, McKinney, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Tobin, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HR 152 was adopted and the title agreed to.

Representative Barrows moved the adoption of the following **HR 151:**

HR 151, A RESOLUTION honoring Ken Clevidence, Susan Harding, and the Legislative Research Commission Staff.

WHEREAS, the Legislative Research Commission, on short notice, was assigned tasks concerning committee meetings, committee reports, and record keeping for the House of Representatives during the 1980 Session; and

WHEREAS, Ken Clevidence and Susan Harding set up the procedures and organization for handling these responsibilities; and

WHEREAS, despite time and space constraints, these two individuals performed in a superbly efficient and professional manner to keep track of the hundreds of bills which have been processed during this Session; and

WHEREAS, the secretaries of the Legislative Research Commission ably and efficiently served as the secretaries for the standing committees of this House; and

WHEREAS, Mr. Clevidence, Miss Harding, and the Legislative Research Commission staff are deserving of recognition for their valuable assistance in enabling the work of the House of Representatives to proceed in an orderly manner;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House commends Ken Clevidence, Susan Harding, and the Legislative Research Commission Staff for their outstanding work during the 1980 Session of the General Assembly.

Section 2. That when the House adjourns on Tuesday, April 15, 1980, it does so in honor of Ken Clevidence, Susan Harding, and the Legislative Research Commission Staff.

On the roll call the vote was yeas 81-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Haering, Hancock, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Mann, May, Maynard, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Plummer, Rapier, Rattliff, Reynolds, Richards, B.

Richardson, P. Richardson, Robinson, Romines, Sale, Smith, Stone, Stumbo, Thomas, Turner, Van Horn, Weinberg, Wilborn, Williams, Worthington, Wright. Nays 0.

HR 151 was adopted and the title agreed to.

Representative B. Richardson moved the adoption of the following **HR 153:**

HR 153, A RESOLUTION requesting continuing federal funding and support for maintaining the Kentucky River for commercial and recreation navigation.

WHEREAS, the ability to efficiently transport our energy resources is vital to the nation; and

WHEREAS, the Commonwealth of Kentucky has an abundance of energy resources, particularly coal, and also an abundance of navigable surface waterways; and

WHEREAS, the combination of available energy resources together with navigable surface waterways provides for an efficient and economical means to help meet the energy needs of the nation; and

WHEREAS, the Louisville District of the U.S. Army Corps of Engineers gave public notice on April 1, 1980, that consideration is being given to the discontinuance of locking operations at Locks 5 through 14, effective November 1, 1980; and

WHEREAS, one of the reasons stated for the discontinuance is a decline of recreational boats, but such decline could be a result of severe weather which destroyed numerous docking facilities, specifically major flooding in 1972, 1977, 1978, and a tornado in 1974; and

WHEREAS, as new docking facilities are rebuilt, recreational boating should increase on the Kentucky River; and

WHEREAS, the Congress has funded the U.S. Army Corps of Engineers to study the Kentucky River, discontinuance of locking operations prior to the conclusion of this study would appear premature; and

WHEREAS, the discontinuance of locking operations would prohibit the use of the Kentucky River for commercial and recreational navigation, and may affect other areas such as water supply, water quality, and environmental concerns;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the U.S. Army Corps of Engineers is requested and petitioned to continue the operation of Locks 5 through 14 after November 1, 1980.

Section 2. That contrary to the discontinuance of lock operations and maintenance dredging as proposed in the public notice of April 1, 1980, the U.S. Army Corps of Engineers is urged to consider plans for the upgrading of dams and Locks on the Kentucky River, specifically lengthening Locks to a minimum of six hundred feet (600'), and widening Locks 4 and below to the Ohio River, thereby improving the navigational potential for this economical mode of transportation.

Section 3. That the Kentucky congressional delegations is requested to introduce and support any legislation which may be needed to allow funding to the U.S. Army Corps of Engineers for the continued operation of Locks and dredging on the Kentucky River.

Section 4. That the Congress and the President of the United States are requested to mandate studies to determine the feasibility of upgrading the navigation potential of the Kentucky River, especially directed toward the transportation of coal.

Section 5. That the clerk is directed to send a copy of this resolution to:

1. The President of the United States.
2. The Kentucky congressional delegation.
3. The U.S. Army Corps of Engineers.

On the roll call the vote was yeas 81-Adams, Arnold, Barrows, Bendl, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Caldwell, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Haering, Hancock, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Kenton, Kidd, Layman, Lewis, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Pearman, Petty, Plummer, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Smith, Stone, Stumbo, Thomas, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Worthington, Wright, Yates. Nays 0.

HR 153 was adopted and the title agreed to.

Representative B. Richardson moved that the rules be suspended to allow Representative Guenthner to report the following communication to the House from the Canadian Ambassador in Tehran. Agreed.

April 3, 1980

Dear Mr. Guenthner,

Members of the Canadian Embassy staff in Tehran joint with me and Mrs. Taylor in expressing our appreciation and grateful acknowledgement of House Resolution No. 41 adopted by the Kentucky House of Representatives expressing their gratitude for the assistance rendered to the six American diplomats in Iran.

We are most touched by this gesture and wish to convey through you to the House of Representatives our grateful thanks for their thoughtfulness.

We also share with you a hope for the early and safe return of those still in the Embassy.

Sincerely,

s/Ken Taylor
Ambassador

Representative Guenthner moved that the communication from Ambassador Taylor be spread upon the Journal. Agreed.

Senate Message

The following message was received in regard to **SB 353:** The Senate has overridden the Governor's veto on **SB 353** and would like to be informed of this Honorable Body's veto standing on the bill.

Representative B. Richardson moved that the rules be suspended to record votes. Agreed.

Representative Brown moved that he be recorded as voting "yea" on **HB 141.** Agreed.

Representative Robinson moved that he be recorded as voting "nay" on **SB 214.** Agreed.

Representative Smith moved that he be recorded as abstaining on the vote on the Majority Free Conference Committee Report on **SB 102** taken on April 2, 1980. Agreed.

Representative Smith moved that he be recorded as abstaining on the vote on **SB 102** taken on April 2, 1980. Agreed.

Representative Noe moved that he be recorded as voting "yea" on **HB 931** as amended by the Free Conference Committee Report. Agreed.

Representative Cyrus moved that he be recorded as voting "yea" on **HB 538.** Agreed.

Representative Clapp moved that he be recorded as voting "yea" on **SB 206.** Agreed.

Representative B. Richardson moved that the rules be suspended for consideration of a Resolution. Agreed.

Representative Nett moved the adoption of the following **HR 154:**

HR 154, A RESOLUTION requesting the Legislative Research Commission to study the systems by which air quality in metropolitan areas are measured.

WHEREAS, Kentucky's major metropolitan areas are threatened with a cut-off of federal permits and funds in connection with their air quality programs; and

WHEREAS, at the base of this problem are systems for measuring and monitoring the quality of the air in the regions, information from which is reported to federal agencies; and

WHEREAS, there is evidence that these systems may not be providing a reliable picture of the air quality in the metropolitan areas; and

WHEREAS, there is also doubt about the scientific bases for determining the source and information of some of the air pollutants; and

WHEREAS, there have been recent changes in some of the factors that contribute to the problem of maintaining air quality; and

WHEREAS, unless these changes and uncertainties are properly taken into consideration, the net results of current and future air quality programs could be negative;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is requested to conduct a study of the systems by which the air in the metropolitan areas are sampled, analyzed and reported, for the general purpose of assuring that measures that are taken to improve the quality of the air are effective and commensurate with overall community interests.

Section 2. In conducting the study, the Legislative Research Commission should consider, but not be limited to, the state of scientific knowledge regarding the formation and dispersion of ozone pollutants; and of the effect on ozone formation of new systems such as those for street and highway lighting, for stack gas cleanups and for altering motor vehicle emissions, with the objectives of obtaining a more accurate understanding of the air pollution problems in the metropolitan areas and of the causes of these problems.

Section 3. Staff services to be utilized in completing this study are estimated to cost $20,000. These staff services shall be provided from the regular Commission budget and are subject to the limitations and other research responsibilities of the Commission.

On the roll call the vote was yeas 70-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Bronger, Burch, Cawood, Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gray, Guenthner, Head, Heleringer, Hines, Holbrook, Isler, Johnson, Kenton, Kidd, Lewis, List, Little, Lundergan, Mann, McKinney, McNutt, Nett, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Schmidt, Smith, Stone, Stumbo, Thomas, Van Horn, Weinberg, White, Wilborn, Williams, Yates. Nays 1-Caldwell.

HR 154 was adopted and the title agreed to.

Recess

Representative B. Richardson moved that the House recess until 3:30 p.m.

On the roll call the vote was yeas 40-Adams, Arnold, Barrows, Bendl, Bennett, Blythe, Boswell, Bruce, Burch, Cawood, Craddock, Crupper, Curd, Cyrus, Davenport, Donnermeyer, Dunn, Farrow, Foster, Guenthner, Hancock, Holbrook, Isler, Kenton, Lewis, May, McKinney, Nett, Pearman, Petty, Rapier, Richards, B. Richardson, P. Richardson, Sale, Stone, Stumbo, Van Horn, Weinberg, White. Nays 19-Caldwell, Clarke, DeFalaise, Deskins, Freibert, Gray, Haering, Heleringer, Hines, LeMaster, List, Maynard, Noe, Overstreet, Rattliff, Robinson, Romines, Thomas, Turner.

The motion that the House recess until 3:30 p.m. was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

The following Floor Amendments were filed to Bills:

Floor Amendment No. 14 to **SB 236,** by Representative Pearman, is as follows:

Amend printed copy of **SB 236,** page 78, following line 13, by inserting the following:

"Section 72. KRS 64.012 is amended to read as follows:

The county clerk shall receive for the following services the following fees:

Recording deed of trust or assignment for the benefit of creditors, provided the entire record thereof does not exceed three pages	$ *6.00*[5.00]
Exceeding three pages, for each page	1.50
Copy and certification of same when ordered	3.50
Each bond required to be taken or prepared by the clerk	2.00
Copy of any bond when ordered	1.50
Recording a bond, each bond	*7.00*[5.00]
Receiving the acknowledgment or proof of any deed, mortgage or agreement, power of attorney, or other written instrument required by law to be done and certifying same	1.25
Recording the conveyance of personal property, taking the acknowledgement, and recording the orders and certificates	*6.00*
Certified copy of conveyance of personal property	*5.00*
Recording easements	*6.00*
Taking the acknowledgment or proof of a deed of real estate, certifying and recording the same and recording his own certificate, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Certified copy of deed	*5.00*[3.50]
Recording a mortgage of real estate, certificates, and all services connected with the same, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Certified copy of real estate mortgage	*5.00*[3.50]
Recording deed of assignment of real estate mortgage	*6.00*[5.00]
Noting release of any lien, mortgage or redemption other than a deed of release	1.50
Receiving the acknowledgment, recording and certifying each deed of release of a mortgage or lien under KRS 382.360	*6.00*[5.00]
Each additional marginal notation relating to same instrument	1.50
Marginal notation only	*1.50*
Making a record for the establishment of a city, recording the plan or plat thereof, and all other services incident	10.00
Recording survey of a city, or any part thereof, or any addition to or extensions of the boundary of a city	10.00
Every order concerning the establishment, changing, closing or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed or discontinued, and by the applicant when it is not	1.00
Administering an oath and certificate thereof	1.00
Issuing license for which no other fee is fixed by law	*6.00*[1.50]
Marriage license, bond, certificate and recording	*6.50*[4.00]
Certified copy of marriage license	*3.50*
For filing and indexing an original or continuation financing statement, and noting the security interest on the required receipt for one motor vehicle	*7.00*[6.00]
For filing and indexing an assignment of a financing statement	*8.00*[6.00]
For filing and amending a financing statement	*8.00*
For filing and noting a statement of release of collateral under a financing statement	1.00
Recording real estate options, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Recording power of attorney or revocation of power of attorney, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Recording plats, maps and surveys[, not exceeding 18 inches by 24 inches, per page]	*11.00*[10.00]
Recording all leases which are recordable by law, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Marginal notation to same instrument	1.50
Filing or recording of certification of intention to operate a business under an assumed name	*7.00*[5.00]
Filing or recording of mechanic's and artisan's liens under KRS Chapter 376	*6.00*[5.00]
Filing or recording of notice of lien issued by the Internal Revenue Service, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Filing or recording of notice of lien discharges issued by the Internal Revenue Service, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]

Each additional lien relating to the same instrument	*1.50*
Exceeding three (3) pages, for each page	*1.50*
Filing or recording of lis pendens notice concerning proceedings in bankruptcy and other lis pendens notices, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Filing or recording United States liens, provided the entire record per lien does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Each additional lien relating to the same instrument	*1.50*
Filing or recording release of a United States lien, provided the entire record per lien does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Each additional lien relating to the same instrument	*1.50*
Filing or recording state tax or other state liens, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Each additional lien relating to the same instrument	*1.50*
Filing release of a state tax or other state lien, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Each additional lien relating to the same instrument	*1.50*
Filing notification and declaration and petition of candidates for office	5.00
Deposit of wills under KRS 394.110	5.00
Recording wills or other probate documents under KRS 394.300	*10.00*[5.00]
Recording renunciation of wills	*5.00*
Issuance of fish and game licenses or tags costing more than $1.00 each	.50
Registration of licenses for professional persons required to register with the county clerk	*6.00*[5.00]
Recording and issuing articles, statements, or reports of corporations pursuant to KRS Chapter 271A, including articles of incorporation amendment, restatement of incorporation, merger, or dissolution and statements of establishment of a series of shares, cancellation of a series of shares, reduction of capital, intent to dissolve, revocation of voluntary dissolution, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Miscellaneous recordings for which no specific fee is set, provided the entire record thereof does not exceed three pages (except military discharges)	*6.00*[5.00]
Exceeding three pages, each additional page	1.50
Filing miscellaneous documents for which no specific fee is set, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, each additional page	1.50
Recording mergers of foreign corporations	*11.00*
Registering and filing a statement of trust	*6.00*
Filing a certificate of partnership, provided the entire record thereof does not exceed three (3) pages	*6.00*
Exceeding three (3) pages, for each page	*1.50*

Section 73. KRS 273.368 is amended to read as follows:

In respect of the following documents, the fees to be collected by the secretary of state for filing and issuing, when required by this chapter, and by the county clerk for recording, when required by this chapter, shall be:

(1) Articles of incorporation and a certificate of incorporation, by the secretary of state four dollars ($4), and by the clerk, *four dollars ($4) for the first three (3) pages and one dollar and fifty cents ($1.50) for each additional page* [three dollars ($3.00)];

(2) Articles of amendment and a certificate of amendment, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(3) Restated articles of incorporation and restated certificate of incorporation, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(4) Articles of merger or consolidation and a certificate of merger or consolidation, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(5) Articles of dissolution and certificate of dissolution, by the secretary of state, three dollars ($3), and by the clerk, two dollars ($2);

(6) A statement of change of address of registered office or change of registered agent, or both, by the secretary of state, five dollars ($5);

(7) A statement by a foreign corporation designating a resident process agent, by the secretary of state, five dollars ($5);

(8) An annual report by a domestic corporation, by the secretary of state, two dollars ($2);

(9) An annual report by a foreign corporation, by the secretary of state, four dollars ($4); and

(10) Certified copy of the articles of incorporation and existing amendments, by the secretary of state, twenty-five dollars ($25) as an original filing fee, and a recording fee of ten dollars ($10); ten dollars ($10) for recording subsequent amendments.

(11) Any other statement or report of a foreign or domestic corporation, by the secretary of state, four dollars ($4), and by the clerk, two dollars ($2)."

Floor Title Amendment No. 6 to **SB 236,** by Representative Pearman, is as follows:

Amend printed copy of **SB 236,** by changing the title to read as follows:

"AN ACT relating to motor vehicles and trailer registration, titling and theft, motor vehicle and other fees, and making an appropriation therefor."

Floor Amendment No. 9 to **SB 315,** by Representative Pearman, is as follows:

Amend printed copy of **SB 315,** on page 3, by adding the following:

"Section 7. KRS 64.012 is amended to read as follows:

The county clerk shall receive for the following services the following fees:

Recording deed of trust or assignment for the benefit of creditors, provided the entire record thereof does not exceed three pages	$ *6.00*[5.00]
Exceeding three pages, for each page	1.50
Copy and certification of same when ordered	3.50
Each bond required to be taken or prepared by the clerk	2.00
Copy of any bond when ordered	1.50
Recording a bond, each bond	*7.00*[5.00]
Receiving the acknowledgment or proof of any deed, mortgage or agreement, power of attorney, or other written instrument required by law to be done and certifying same	1.25
Recording the conveyance of personal property, taking the acknowledgement, and recording the orders and certificates	*6.00*
Certified copy of conveyance of personal property	*5.00*
Recording easements	*6.00*
Taking the acknowledgment or proof of a deed of real estate, certifying and recording the same and recording his own certificate, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Certified copy of deed	*5.00*[3.50]
Recording a mortgage of real estate, certificates, and all services connected with the same, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Certified copy of real estate mortgage	*5.00*[3.50]
Recording deed of assignment of real estate mortgage	*6.00*[5.00]
Noting release of any lien, mortgage or redemption other than a deed of release	1.50
Receiving the acknowledgment, recording and certifying each deed of release of a mortgage or lien under KRS 382.360	*6.00*[5.00]
Each additional marginal notation relating to same instrument	1.50
Marginal notation only	*1.50*

Making a record for the establishment of a city, recording the plan or plat thereof, and all other services incident	10.00
Recording survey of a city, or any part thereof, or any addition to or extensions of the boundary of a city	10.00
Every order concerning the establishment, changing, closing or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed or discontinued, and by the applicant when it is not	1.00
Administering an oath and certificate thereof	1.00
Issuing license for which no other fee is fixed by law	*6.00*[1.50]
Marriage license, bond, certificate and recording	*6.50*[4.00]
Certified copy of marriage license	*3.50*
For filing and indexing an original or continuation financing statement, and noting the security interest on the required receipt for one motor vehicle	*7.00*[6.00]
For filing and indexing an assignment of a financing statement	*8.00*[6.00]
For filing and amending a financing statement	*8.00*
For filing and noting a statement of release of collateral under a financing statement	1.00
Recording real estate options, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Recording power of attorney or revocation of power of attorney, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Recording plats, maps and surveys[, not exceeding 18 inches by 24 inches, per page]	*11.00*[10.00]
Recording all leases which are recordable by law, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Marginal notation to same instrument	1.50
Filing or recording of certification of intention to operate a business under an assumed name	*7.00*[5.00]
Filing or recording of mechanic's and artisan's liens under KRS Chapter 376	*6.00*[5.00]
Filing or recording of notice of lien issued by the Internal Revenue Service, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Filing or recording of notice of lien discharges issued by the Internal Revenue Service, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Each additional lien relating to the same instrument	*1.50*
Exceeding three (3) pages, for each page	*1.50*
Filing or recording of lis pendens notice concerning proceedings in bankruptcy and other lis pendens notices, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Filing or recording United States liens, provided the entire record per lien does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Each additional lien relating to the same instrument	*1.50*
Filing or recording release of a United States lien, provided the entire record per lien does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Each additional lien relating to the same instrument	*1.50*
Filing or recording state tax or other state liens, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Each additional lien relating to the same instrument	*1.50*
Filing release of a state tax or other state lien, *provided the entire record per lien does not exceed three (3) pages*	*6.00*[5.00]
Exceeding three (3) pages, for each page	*1.50*
Each additional lien relating to the same instrument	*1.50*
Filing notification and declaration and petition of candidates for office	5.00
Deposit of wills under KRS 394.110	5.00
Recording wills or other probate documents under KRS 394.300	*10.00*[5.00]
Recording renunciation of wills	*5.00*
Issuance of fish and game licenses or tags costing more than $1.00 each	.50
Registration of licenses for professional persons required to register with the county clerk	*6.00*[5.00]

Recording and issuing articles, statements, or reports of corporations pursuant to KRS Chapter 271A, including articles of incorporation amendment, restatement of incorporation, merger, or dissolution and statements of establishment of a series of shares, cancellation of a series of shares, reduction of capital, intent to dissolve, revocation of voluntary dissolution, provided the entire record thereof does not exceed three pages	*6.00*[5.00]
Exceeding three pages, for each page	1.50
Miscellaneous recordings for which no specific fee is set, provided the entire record thereof does not exceed three pages (except military discharges)	*6.00*[5.00]
Exceeding three pages, each additional page	1.50
Filing miscellaneous documents for which no specific fee is set, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, each additional page	1.50
Recording mergers of foreign corporations	*11.00*
Registering and filing a statement of trust	*6.00*
Filing a certificate of partnership, provided the entire record thereof does not exceed three (3) pages	*6.00*
Exceeding three (3) pages, for each page	*1.50*

Section 8. KRS 273.368 is amended to read as follows:

In respect of the following documents, the fees to be collected by the secretary of state for filing and issuing, when required by this chapter, and by the county clerk for recording, when required by this chapter, shall be:

(1) Articles of incorporation and a certificate of incorporation, by the secretary of state four dollars ($4), and by the clerk, *four dollars ($4) for the first three (3) pages and one dollar and fifty cents ($1.50) for each additional page* [three dollars ($3.00)];

(2) Articles of amendment and a certificate of amendment, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(3) Restated articles of incorporation and restated certificate of incorporation, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(4) Articles of merger or consolidation and a certificate of merger or consolidation, by the secretary of state, four dollars ($4), and by the clerk, three dollars ($3);

(5) Articles of dissolution and certificate of dissolution, by the secretary of state, three dollars ($3), and by the clerk, two dollars ($2);

(6) A statement of change of address of registered office or change of registered agent, or both, by the secretary of state, five dollars ($5);

(7) A statement by a foreign corporation designating a resident process agent, by the secretary of state, five dollars ($5);

(8) An annual report by a domestic corporation, by the secretary of state, two dollars ($2);

(9) An annual report by a foreign corporation, by the secretary of state, four dollars ($4); and

(10) Certified copy of the articles of incorporation and existing amendments, by the secretary of state, twenty-five dollars ($25) as an original filing fee, and a recording fee of ten dollars ($10); ten dollars ($10) for recording subsequent amendments.

(11) Any other statement or report of a foreign or domestic corporation, by the secretary of state, four dollars ($4), and by the clerk, two dollars ($2)."

Floor Title Amendment No. 2 to **SB 315**, by Representative Pearman, is as follows:

Amend printed copy of **SB 315**, by changing the title to read as follows:

"AN ACT relating to motor vehicles, motor vehicle and other fees."

Recess

Representative B. Richardson moved that the House recess until 4:30 p.m. for Democratic caucus.

On the roll call the vote was yeas 50-Adams, Arnold, Barrows, Bendl, Bennett, Blandford, Boswell, Brinkley, Bruce, Cawood, Clarke, Crupper, Curd, Cyrus, DeFalaise, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Hancock, Hea, Hines, Isler, Johnson, Kenton, Kidd, Mann, McKinney, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, Reynolds, Richards, B. Richardson, P. Richardson, Sale, Schmidt, Stone, Van Horn, Wilborn, Williams, Yates. Nays 19-Allen, Blair, Blythe, Caldwell, Davenport, Deskins, Guenthner, Heleringer, Holbrook, LeMaster, Little, Maynard, Overstreet, Patrick, Plummer, Rattliff, Robinson, Turner, Wright.

The motion that the House recess until 4:30 p.m. for Democratic caucus was adopted.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

Representative Clapp moved the reading of the following Second Free Conference Report on **SB 102:**

The free conference committee has met as provided in the rules of the House and the Senate and hereby reports the following to be adopted: (9:15 staff and press was asked to leave)

Amend printed copy of General Assembly copy of **SB 102** on page 2, line 6, to delete "*1980*" and to insert in lieu thereof "*1981*";

and on page 2, line 10, to delete "*and each fiscal*";

and on page 2, line 11, to delete "*year thereafter*";

and on page 2, line 19, after the word "annum" to insert a ",";

and on page 2, line 19 after the words "to the" insert the following: "*minimum provided by subsection (2) and to the calculation provided by subsection (3) of this section*";

and on page 2, line 19 before the word "methods" insert "[";

and on page 2, line 20 after the word "out" insert "]";

and on page 2, line 21, by inserting "[]" around "1978";

and on page 2, by inserting before "$9,000" "*$11,000*" and by insert "[]" around "$9,000";

and on page 3, between lines 5 and 6, insert the following: "*(2) the annual compensation payable to each circuit clerk beginning on July 1, 1980 shall be $2,000 in excess of the annual compensation payable as of June 30, 1980*";

and on page 3, line 6, delete "*(2)*" and substitute in lieu thereof "*(3)*";

and on page 3, line 13, delete "*1981*" and substitute in lieu thereof "*1982*";

and on page 3, line 13, delete the word "*salary*" and substitute in lieu thereof "*compensation*";

and on page 5, line 1, after the word "Court." by inserting the following:

"Section 4. KRS 21.400 is amended to read as follows:

(1) A member who retires on or after his normal retirement date shall receive a service retirement allowance, payable monthly during his lifetime, in an amount per month equal to *two and seventy-five hundredths percent (2.75%)* [four and fifteen one hundredths percent (4.15%)] of his final compensation multiplied by the number of years of his service, but in no event to exceed one hundred percent (100%) of final

compensation, except that for any service performed while a member prior to July 1, 1978, any service prior to July 1, 1962 creditable under KRS 21.345, and any service performed in continued membership (or allowable under KRS 21.410 or 21.420) after June 30, 1978, by a person who was a member on that date, the monthly percentage figure shall be five percent (5%) *of his final compensation multiplied by the number of years of his service, and except that for any service performed by a member who elected membership at an annual accrual rate of four and fifteen one hundredths percent (4.15%) and for any service performed in continued membership thereafter (or allowable under KRS 21.410 through 21.420), the benefit, payable monthly during his lifetime shall be an amount equal to four and fifteen one hundredths percent (4.15%) of his final compensation multiplied by the number of years of his service*, and except that allowances heretofore granted, and rights related thereto, shall not be affected by the 1978 *or 1980 amendments* [amendment] to this section. For this purpose, "final compensation" means the average monthly compensation of the member for the sixty (60) months of service immediately preceding his retirement, including, in the case of a circuit judge, compensation received as special commissioner of the former Court of Appeals. If, at the time of retirement or death of a member his total period of service in one or more positions covered by the system has not amounted to sixty (60) months, his "final compensation" shall be computed as if he had served in the first position he occupied under the system for such period of time as to bring his total service (in all positions) to sixty (60) months. If that category of position was not in existence for that period, it shall be treated as though it had been in existence for that period and as if the compensation paid for the presumed period of existence was at the rate provided for the category when it in fact first was created.

(2) A member who retires before his normal retirement date shall be vested with the right to receive, when he reaches his normal retirement age, a service retirement allowance computed and payable in accordance with the provisions of subsection (1) of this section, on the basis of the number of years of his actual service.

(3) In lieu of the right provided for in subsection (2) of this section, a member who retires before his normal retirement age may elect, at any time before reaching his normal retirement age, to be paid commencing as of the time of the election a monthly service retirement allowance equal in amount to the monthly allowance that would have become payable under subsection (2) of this section when he reached his normal retirement age, reduced actuarially in accordance with his actual age at the time the election is made.

Section 5. KRS 6.190 is amended to read as follows:

Beginning as of January 1, 1978, the members of the general assembly, other than the speaker of the house of representatives,the president pro-tempore of the senate and the majority and minority leadership of each house of the general assembly, shall each receive as compensation fifty dollars ($50) per day, the president of the senate, the president pro-tempore of the senate and the speaker of the house of representatives shall each receive as compensation seventy-five dollars ($75) per day, the majority and minority floor leaders of each house of the general assembly shall each receive as compensation seventy dollars ($70) per day, and the assistant president pro-tempore of the senate, the speaker pro-tempore and the majority and minority caucus chairmen and whips of each house of the general assembly shall each receive as compensation sixty-five dollars ($65) per day, during the session of the general assembly. *Beginning as of January 1, 1984, the members of the general assembly, other than the speaker of the house of representatives, the president pro tempore of the senate and the majority and minority leadership of each house of the general assembly, shall each receive as compensation one hundred ($100.00) per day, the president of the senate, the president pro tempore of the senate and the speaker of the house of representatives shall each receive as compensation one hundred twenty-five ($125.00) per day, the majority and minority floor leaders of each house of the general assembly shall each receive as compensation one hundred twenty dollars ($120.00) per day, and the assistant president pro tempore of the senate, the speaker pro tempore and the majority and minority caucus chairmen and whips of each house of the general assembly shall each receive as compensation one hundred fifteen dollars ($115.00) per day, during the session of the general assembly.* In addition to his compensation as a member of the general assembly, each chairman of a standing committee of the house of representatives or the senate shall receive compensation of ten dollars ($10) for each regularly scheduled meeting of the standing committee which he chairs during sessions of the general assembly. Effective January 1, 1976, each member of the general assembly, and the president of the senate, shall receive sixteen cents (16¢) per mile and reimbursement of road tolls for one (1) round trip for each week of the session between his home and the state capitol during regular sessions and extraordinary sessions of the general assembly and the necessary travel in going to and returning from the sessions of their respective houses. *Beginning as of the effective date of this Act, each member of the general assembly, and the president of the senate shall receive a mileage allowance equal to the maximum mileage allowance permitted by the federal government, to be increased.*

SECTION 6. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

There is hereby created a legislative compensation commission to be composed of the following members:

(1) Two (2) persons appointed by the Speaker of the House;

(2) Two (2) persons appointed by the President Pro Tempore of the Senate;

(3) Three (3) persons appointed by the Governor;

(4) In making the selections the Governor, President Pro Tempore and the Speaker shall not appoint current members of the general assembly.

SECTION 7. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Except for the initial appointees to the commission, who shall be appointed not later than thirty (30) days after the effective date of this Act, members of the commission shall be appointed not later than the fifth (5th) day of a regular or organizational session of the general assembly.

(2) Members of the commission shall serve for a term of two (2) years, or until their successors are appointed and qualify.

(3) The commission shall elect a chairman from its membership;

(4) They shall receive their reasonable and necessary expenses incurred in the performance of their duties.

SECTION 8. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) It shall be the duty of the commission to report biennially on or before December 1 of the year preceding a regular session of the general assembly as to matters considered by the commission and recommendations thereon.

(2) The commission shall make a continual study of all matters relating to legislative compensation including but not limited to:

(a) Salaries;

(b) Expense allowances;

(c) Mileage allowances;

(d) Stationery and supplies allowances and procurement;

(e) Postage and shipping allowances;

(f) Retirement benefits and programs;

(g) Insurance programs;

(h) Medical, dental, and health related programs;

(i) Deferred compensation programs; and

(j) Such other matters as the commission deems prudent to investigate and report upon.

(3) In order to carry out its functions the commission may request of the legislative research commission staff assistance and administrative or technical support, including additional funding, as may be necessary.

(4) In carrying out its functions the commission may investigate programs for legislative compensation in other states and the federal government as well as compensation programs for public officers and employes in Kentucky, in other states, and in the federal system.

SECTION 9. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Upon receipt of the comprehensive report on legislative compensation in December of the year preceding the regular session of the general assembly the director of the legislative research commission shall include in the budget for the commission such language and appropriations as will effectuate the recommendations of the commission.

Section 10. The legislative compensation commission shall study the question of retirement benefits for members of the general assembly and the terms and conditions relative to the operation of the separate legislative retirement system with appropriate benefits. The study shall research all aspects of the program and shall include an actuarial report as to appropriations needed to maintain the soundness of the program, contribution and benefit figures, and similar information. The report shall be made to the legislative research commission no later than November 15, 1981.

Section 11. KRS 64.741 is amended to read as follows:

(1) As used in KRS 6.191, 6.193 and 64.742 to 64.745 unless the context otherwise requires:

(a) "Biennial income" means the total amount received from the state treasury by each member of the legislature under KRS 6.190 to 6.225 and KRS 7.090 to 7.110 during each two-year period commencing January 1 of every even-numbered year;

(b) "Commission" means the public officials compensation commission;

(c) "Fixed biennial income" means that portion of biennial income received by each member of the legislature under KRS 6.213 and, during regular sessions of the general assembly, under KRS 6.190 to 6.220, excluding any income received by standing committee chairmen and the president pro tem of the senate during sessions of the general assembly in excess of that income received by other members;

(d) "Variable biennial income" means that portion of biennial income which is not fixed income, including that income received by standing committee chairmen and the president pro tem of the senate under KRS 6.190 which is in excess of the income received by other members, income received by each member of the general assembly during any extraordinary session of the general assembly, income received by the speaker of the house of representatives and the president pro tem of the senate under KRS 6.225, and income received by each member of the legislature under KRS 7.090 to 7.110.

(e) "Public officials" shall not include members of the general assembly.

SECTION 12. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

There hereby is created a retirement plan for the members of the General Assembly (hereinafter "legislators"). Each legislator in office on the effective date of this Act, and each legislator thereafter taking office, may acquire membership in the plan in accordance with the provisions of Section 13 of this Act. In the event that a legislator in office during the 1980 Regular Session of the General Assembly should die prior to the effective date of this Act, then the person who would have been eligible for survivor benefits, had the legislator elected membership in the Legislators' Retirement Plan, may elect such membership pursuant to Section 13 of this Act and be eligible for survivor benefits of the Legislative Retirement Plan.

SECTION 13. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

(1) Each legislator in office on the effective date of this Act may within thirty (30) days after that date, and any legislator thereafter taking office may within thirty (30) days after the date thereof, elect to make monthly contributions to the Legislators Retirement Plan, in an amount equal to five (5) percent of his monthly creditable compensation, as defined in KRS 61.510(13). The election shall be effective to

establish membership in the plan as of the effective date of this Act or as of the date from which the thirty (30)-day period is measured, as the case may be. Provided, however, that any legislator in office on the effective date of this Act may, after the expiration of the thirty (30) day period and until February 1, 1981, make the election, in which event he shall pay to the Legislators Retirement Plan, for the months between the effective date of this Act and the date of his election such sum as will, when added to any member's contribution by him that is transferred from another retirement system under Section 24 of this Act, will equal the member's contribution required by this section. The election shall be addressed to and filed with the secretary of the department of finance and shall constitute an authorization to the secretary to thereafter cause to be deducted from the member's monthly creditable compensation an amount equal to five (5) percent thereof, as voluntarily elected contribution by the member towards the funding of the Legislators Retirement Plan. Such election shall operate to create an inviolable contract between such member and the Commonwealth, guaranteeing to and vesting in the member the rights and benefits provided for under Sections 14 to 17 of this Act.

(2) When any legislator elects membership in the Legislators Retirement Plan in accordance with this section, his active membership in the Kentucky Employes Retirement System, County Employes Retirement System, or Teachers Retirement System shall terminate, as of the date his membership in the Legislators' Retirement Plan becomes effective, to the extent that service as a legislator is concerned, and any credit that he then has in such other system or systems, earned for service as a legislator, shall be transferred to and counted as service credit in the Legislators Retirement Plan, and shall no longer constitute credit in such other retirement system except for the purpose of validating any other credit in that system. However, any credit he then has in such other retirement system, earned for service in any capacity other than a legislator, shall not be affected.

SECTION 14. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

Service credit in the Legislators Retirement Plan can be acquired only by service as a legislator after the effective date of this Act while a member of the plan, or by transfer of credit as provided in Section 13 of this Act.

SECTION 15. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

(1) A member of the Legislators Retirement Plan who retires on or after his normal retirement date but not before December 30, 1981, shall receive a service retirement allowance, payable monthly during his lifetime, in an amount per month equal to three and fifty one-hundredths percent (3.50%) of his final compensation multiplied by the number of years of his service, but in no event to exceed one hundred percent (100%) of final compensation. For this purpose, "final compensation" means the average monthly creditable compensation as determined in KRS 61.510(13) of the member for services as a legislator for the sixty (60) months of service immediately preceding retirement.

(2) A member shall have rights, with respect to retirement before reaching normal retirement date, but not before December 30, 1981, in the Legislators Retirement Plan, identical in terms with those rights provided in KRS 21.400(1) and (2) in the Judicial Retirement Plan for members of that plan.

(3) Survivor benefits shall not be subject to the December 30, 1981 deferment date as specified in subsection (1) of this section.

SECTION 16. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

The Legislators Retirement Plan shall be governed by provisions identical in terms with those provided in KRS 21.345(1) and (3), 21.370, 21.375, 21.380, 21.410, 21.420, 21.425, 21.460, 21.470, Section 6 of 1980 Senate Bill 108 and KRS 21.480 for the Judicial Retirement Plan, except that five (5) years of service as a legislator will be sufficient for vesting.

SECTION 17. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

There is hereby established, within the Legislators Retirement Plan, a state fund to be known as the Legislators Retirement Fund, which shall consist of the plan members' contributions, state appropriations *to the fund, transfers of money as provided in Sections 24 and 25 of this Act, and earnings from investment of the fund. The fund may have a subordinate administrative account. The benefits provided to be paid by reason of membership in the Legislators Retirement Plan shall not be chargeable to any other retirement fund.*

SECTION 18. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

The Judicial Retirement System established by KRS 21.345 to 21.520 shall hereafter be designated and known as the Judicial Retirement Plan. There is established within that plan a state fund to be known as the Judicial Retirement Fund, which shall consist of all money and securities of the Judicial Retirement System immediately prior to the effective date of this Act; all allotments to be received of moneys theretofore appropriated to or for the Judicial Retirement System or Judicial Retirement Board and not yet allotted; all state appropriations to the Judicial Retirement Fund or the Judicial Retirement Plan; all earnings from investment of the fund (including insurance benefits); and all contributions from members of the plan. The fund may include such subordinate accounts as required by KRS 21.520, and may have a subordinate administrative account. The benefits provided to be paid by reason of membership in the Judicial Retirement Plan shall not be chargeable to any other retirement fund.

SECTION 19. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

For administrative purposes only, as hereinafter provided, the Legislative Retirement Plan and the Judicial Retirement Plan shall be coordinated under the name, Judicial Form Retirement System, but each of the plans shall maintain its separate identity. A board of trustees of that system hereby is created, to consist of eight (8) members, three (3) of whom shall be appointed by the Supreme Court, two (2) by the Governor, one (1) by the President Pro Tem of the Senate, one (1) by the Speaker of the House of Representatives, and one (1) by such President and Speaker jointly. The appointments by the Governor shall not be from among the members of either of the plans in the system, or from among the persons drawing benefits from either of those plans. The members of the board shall serve for terms of four (4) years, commencing as of the effective date of this Act, and until their successors are chosen and have qualified; provided that if a member of the board who was a member of one of the plans in the system when he was appointed ceases to be a member of that plan, a vacancy shall thereupon be deemed to exist in his position on the board; and provided further, that the members of the Judicial Retirement Board in office on the date this Act becomes effective shall serve for the remainder of the terms for which they were appointed, as the members of the board created by this section, in the positions appointable by the Supreme Court and the Governor. Vacancies shall be filled by the appointing authority, for the unexpired term. The members shall annually elect a chairman. Board members who do not receive an annual salary from the state treasury, in another capacity, shall receive $75 for each day they are in session. All members shall be reimbursed for their necessary expenses.

SECTION 20. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

Except as provided in Sections 21 and 22 of this Act, the Board of Trustees of the Judicial Form Retirement System shall be charged with the administration of that system and of KRS 21.350 to 21.520, and shall have all powers necessary thereto, including the power to make all reasonable rules and regulations, pass upon questions of eligibility and disability, and make contracts or employments for services. The administrative expenses shall be paid out of an administrative account which shall be funded by transfers of the necessary money, in appropriate ratio, from the funds provided for in Sections 21 and 22 of this Act.

SECTION 21. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

(1) Those members of the Board of Trustees of the Judicial Form Retirement System who are appointed by the Supreme Court, together with the members appointed by the Governor, shall constitute an investment committee for the Judicial Retirement Plan, and as such shall have full and sole authority over the Judicial Retirement Fund and the investment thereof, including the prescribing of funding standards, the adoption of actuarial methods and assumptions, and the making of employments or contracts for required personal services, including administrative, actuarial and investment counseling services. The

committee shall be considered trustee of the Judicial Retirement Fund and shall have the sole authority to make investment transactions or obtain insurance contracts for funding purposes. The fund shall be invested in securities which, at the time of making the investment, are by law permitted for the investment of funds by fiduciaries in this state, or funding may be accomplished in part by contract with a reputable life insurance company authorized to do business in this state. To the extent that funding is provided through insurance contract, no contributions, payments or premiums shall be subject to any tax on insurance premiums or annuity considerations.

(2) The investment committee for the Judicial Retirement Fund shall appoint one or more custodians of the securities acquired under authority of this section, each of whom shall be responsible for the safekeeping of the securities in his custody. All registered securities shall be registered in the name "Kentucky Judicial Retirement Fund" (securities heretofore registered in the name "Kentucky Judicial Retirement System" may continue in that name), or in nominee name as provided comparably in KRS 287.225, and every change in registration, by reason of sale or assignment of such securities, shall be accomplished by the signatures of the chairman of the investment committee or a member of that committee appointed by the chairman, and by the secretary-treasurer of the fund.

SECTION 22. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

The members of the Board of Trustees of the Judicial Form Retirement System who are appointed by the President Pro Tem of the Senate and the Speaker of the House of Representatives, singly or jointly, together with the members of the board who are appointed by the Governor, shall constitute an investment committee for the Legislators Retirement Plan, and as such shall have all the powers and duties with respect to the Legislators Retirement Fund as are given by Section 21 of this Act to the investment committee of the Judicial Retirement Plan with respect to the Judicial Retirement Fund. The committee provided for by this section may, with the concurrence of the investment committee for the Judicial Retirement Plan, arrange for the Legislative Retirement Fund and the Judicial Retirement Fund to constitute a common fund for investment purposes only, to be under the management of the investment committee for the Judicial Retirement Plan, each fund sharing in the common fund in proportion to the value of its assets contributed to the common fund.

Section 23. The following KRS sections are repealed.

21.430 Judicial retirement board.

21.455 Registration and custody of securities.

21.490 Termination of membership in Kentucky employes retirement system — Refund of contributions.

SECTION 24. A NEW SECTION OF KRS CHAPTER 21 IS CREATED TO READ AS FOLLOWS:

When a legislator, at the time he obtains membership in the Legislators Retirement Plan, has service credit in the Kentucky Employes Retirement System, County Employes Retirement System, or Teachers Retirement System, earned for service as a legislator, which credit by virtue of Section 13 of this Act will become credit in the Legislators Retirement System, such other system shall transfer to the Legislators Retirement Fund an amount equal to the employe's and employer's contributions attributable to that credit, together with interest on each such contribution, from the date it was made to the date of transfer, at the statutory rate, if any, applicable to such contributions, or if none, at the rate of interest assumed by such other system for actuarial purposes at the time the contribution was made.

Section 25. Out of the appropriations made by House Bill No. 857 of the 1980 General Assembly for legislative retirement, there shall be transferred to the Legislators Retirement Fund all of the amounts appropriated for the employer's contributions to the Kentucky Employes Retirement System for legislators, less such sum as is necessary to pay the contributions to that system for legislators who do not elect to participate in the Legislators Retirement Plan.

Section 26. The following KRS sections are repealed:

64.497 Salaries of judges and commissioners of the Court of Appeals.

64.499 Compensation of circuit judges.

64.507 Salary of district judge.

Section 27. There is hereby appropriated from the General Fund $3,287,000 for FY 1980-81 and $4,040,800 for FY 1981-82 to carry out the provisions of this Act. All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which such appropriation may be expended shall be decided by the Secretary of Finance, the Director of the Legislative Research Commission, and the Chief Justice of the Supreme Court in accordance with the work papers considered by the 1980 Regular Session of the General Assembly. The decision of two of the three officers listed above shall be final and conclusive.

Section 28. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the entire Act shall be invalid, and to this end the provisions of this Act are not severable.

Section 29. Whereas, inflation has severely diminished the purchasing power of public officials, an emergency is declared to exist, and this Act, if passed and approved by the Governor, shall become effective on July 1, 1980."

Representative B. Richardson moved that **SB 102** be taken from Orders of the Day for the purpose of considering the Second Free Conference Committee Report thereon. Agreed.

Representative Clapp moved the adoption of the Second Free Conference Committee Report on **SB 102.**

On the roll call the vote was yeas 72-Adams, Arnold, Barrows, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Burch, Cawood, Clapp, Clark, Crupper, Curd, Cyrus, Davenport, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Fryman, Guenthner, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, Kidd, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McKinney, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Stone, Stumbo, Thomas, Thomason, Van Horn, Weinberg, White, Wilborn, Williams, Wright. Nays 25-Allen, Bruce, Burnette, Caldwell, Clarke, Dawahare, DeFalaise, Ellington, Farrow, Freibert, Gray, Haering, Hancock, Layman, List, McBee, McNutt, Moberly, Morris, Pearman, Plummer, Smith, Tobin, Turner, Worthington.

The Second Free Conference Committee Report on **SB 102** was adopted.

Representative Clapp moved that **SB 102,** as amended, be passed.

Representative B. Richardson moved that the House stand at ease for five minutes. Agreed.

Speaker Kenton called the House to order.

Representative B. Richardson moved that **SB 102,** as amended by the Second Free Conference Committee Report, be passed.

On the roll call the vote was yeas 70-Adams, Bendl, Bennett, Blair, Blandford, Blythe, Boswell, Brinkley, Bronger, Brown, Bruce, Burch, Cawood, Clapp, Clark, Cyrus, Davenport, Dawahare, DeFalaise, DeMarcus, Deskins, Donnermeyer, Dunn, Foster, Guenthner, Head, Heleringer, Hines, Holbrook, Holloway, Isler, Johnson, Jones, Kenton, LeMaster, Lewis, Little, Lundergan, Mann, May, Maynard, McBee, McKinney, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, Reynolds, Richards, B. Richardson, P. Richardson, Robinson, Romines, Sale, Schmidt, Stone, Thomason, Turner, Van Horn, Weinberg, White, Wilborn, Williams, Wright. Nays 24-Allen, Arnold, Barrows, Burnette, Caldwell, Clarke, Crupper, Curd, Ellington, Farrow, Freibert, Fryman, Gray, Haering, Hancock, Layman, List, McNutt, Moberly, Pearman, Plummer, Thomas, Tobin, Worthington.

SB 102, as amended by the Second Free Conference Committee Report, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **SB 102,** as amended by the Second Free Conference Committee Report, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Johnson read the Election Committee report naming Representatives Dunn and Weinberg to represent this body on the State Central Executive Committee.

Representative B. Richardson moved that the rules be suspended to allow The Honorable Julian M. Carroll, former Governor of the Commonwealth of Kentucky, the privilege of the floor. Agreed.

The Honorable Julian M. Carroll briefly addressed the House.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 206** had been examined and found correctly enrolled. **SB 206** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day (continued)

Representative Mann moved that the rules be suspended to take **SB 315** from the table.

On the roll call the vote was yeas 48-Arnold, Barrows, Bendl, Blythe, Brown, Bruce, Cawood, Clapp, Clarke, Craddock, Curd, Cyrus, Davenport, DeFalaise, DeMarcus, Donnermeyer, Freibert, Guenthner, Hancock, Heleringer, Hines, Holbrook, Holloway, Johnson, Jones, Kenton, Kidd, List, Little, Lundergan, Mann, Maynard, McBee, McKinney, McNutt, Moberly, Nett, Petty, Reynolds, Richards, Schmidt, Smith, Thomas, Thomason, Tobin, Turner, Wilborn, Williams. Nays 28-Allen, Blair, Blandford, Boswell, Bronger, Burch, Burnette, Caldwell, Ellington, Farrows, Fryman, Haering, Head, Isler, Layman, Morris, O'Brien, Overstreet, Patrick, Pearman, Plummer, Priddy, Rapier, Stone, Van Horn, Weinberg, Worthington, Wright.

The motion that the rules be suspended to take **SB 315** from the table was rejected.

Representative Dawahare moved that the rules be suspended to report and act upon a Resolution. Agreed.

HR 155, by Representative Dawahare: A RESOLUTION commending Kentucky Educational Television for its coverage of the 1980 Session of the Kentucky General Assembly.

Representative Dawahare moved the adoption of the following **HR 155:**

HR 155, A RESOLUTION commending Kentucky Educational Television for its coverage of the 1980 Session of the Kentucky General Assembly.

WHEREAS, Kentucky Educational Television has provided coverage of committee and floor activity of the 1980 General Assembly; and

WHEREAS, such coverage has given the public an opportunity to observe the legislative process and has promoted a greater discussion of the issues facing this General Assembly; and

WHEREAS, the staff and crew of Kentucky Educational Television have operated in a professional manner so as to enhance their effectiveness in working with the General Assembly; and

WHEREAS, the coverage of the 1980 Kentucky General Assembly continues KET's offering of informative programming for the public;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky Educational Television be commended for its coverage of the 1980 Kentucky General Assembly.

Section 2. That the Clerk of the House of Representatives deliver a copy of this resolution to Leonard Press, Executive Director of the Kentucky Educational Television.

HR 155 was adopted by voice vote.

Representative DeMarcus moved that the rules be suspended to report and act upon a resolution. Agreed.

HR 158, by Representative Reynolds: A RESOLUTION adjourning in honor and memory of Woodrow Hollon.

Representative DeMarcus moved the adoption of the following **HR 158:**

HR 158, A RESOLUTION adjourning in honor and memory of Woodrow Hollon.
In kindest respect, we pay homage to our friend, Woodrow Hollon.
WHEREAS, Woodrow Hollon unexpectedly passed away today, Tuesday, April 15, 1980; and
WHEREAS, Woodrow Hollon formally served as a dedicated employe of the Senate of the General Assembly; and
WHEREAS, Woodrow Hollon was a former colleague serving as a member of the Kentucky House of Representatives;
NOW, THEREFORE.

Be it resolved by the House of Respresentatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives does express its sincere sense of loss and bereavement upon the passing of Woodrow Hollon and commends his family to the solace of the Almighty.
Section 2. That when the House of Representatives does adjourn this day, Tuesday, April 15, 1980, it does so in honor and memory of Woodrow Hollon.
Section 3. That the Clerk of the House of Representatives be directed to transmit a copy of this resolution to the family of Woodrow Hollon.

HR 158 was adopted by voice vote.

Representative Isler moved that **SB 125** be placed in Orders of the Day and made the first order of business tonight.

The Chair ruled that a discharge petition would be required, since this body does not have authority to take bills from Committee without such, plus a suspension of the rules would be required.

Representative Isler moved that the rules be suspended to place **SB 125** in Orders of the Day.

On the roll call the vote was yeas 27-Arnold, Barrows, Bendl, Bennett, Blair, Blythe, Burch, Dawahare, DeFalaise, Dunn, Hancock, Heleringer, Holbrook, Isler, Lundergan, Moberly, O'Brien; Petty, Priddy, Rapier, Romines, Schmidt, Stumbo, Thomason, Van Horn, Wilborn, Worthington. Nays 28-Boswell, Brinkley, Bruce, Burnette, Caldwell, Craddock, Crupper, Curd, Cyrus, Davenport, Deskins, Ellington, Farrow, Freibert, Fryman, Gray, Jones, Little, McNutt, Noe, Overstreet, Pearman, Robinson, Smith, Stone, Tobin, Weinberg, White.

The motion that the rules be suspended to place **SB 125** in Orders of the Day was rejected.

Speaker Pro Tempore Hancock presiding.

Representative Holloway moved that the rules be suspended for report and act upon a Resolution. Agreed.

HR 156, by Representative Holloway: A RESOLUTION expressing recognition by the House of Representatives of the General Assembly of the Commonwealth of Kentucky of Growth Day in Kentucky and related principles concerning the free enterprise economic system.

Representative Holloway moved the adoption of the following **HR 156:**

HR 156, A RESOLUTION expressing recognition by the House of Representatives of the General Assembly of the Commonwealth of Kentucky of Growth Day in Kentucky and related principles concerning the free enterprise economic system.
WHEREAS, the people of the United States enjoy the highest level of economic well being of any nation in the world; and
WHEREAS, they have achieved this status with the greatest degree of personal freedom enjoyed by citizens of any nation; and

WHEREAS, this economic gain has been spread more evenly among more people than in any other nation; and

WHEREAS, these accomplishments have been the direct result of the free enterprise system, under which each individual is his own economic planner; and

WHEREAS, every nation that has converted to a collective system of government control has done so at the cost of individual freedom, bureaucratic growth and economic loss;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Thursday, April 17, 1980, be recognized as GROWTH DAY within the Commonwealth of Kentucky.

Section 2. That those who would declare free enterprise to be against the interests of the people be condemned as advocates of false doctrine.

Section 3. That a free society and the private ownership of an economic system be declared to be our best hope for future growth and progress.

On the roll call the vote was yeas 45-Adams, Allen, Bendl, Blair, Blythe, Boswell, Bronger, Brown, Bruce, Caldwell, Craddock, Crupper, Curd, Cyrus, Dawahare, DeFalaise, DeMarcus, Donnermeyer, Dunn, Foster, Freibert, Fryman, Guenthner, Haering, Hancock, Heleringer, Hines, Holloway, Isler, Mann, Morris, Noe, O'Brien, Overstreet, Petty, Plummer, Rapier, B. Richardson, P. Richardson, Romines, Sale, Schmidt, Smith, Stone, Van Horn. Nays 2-Gray, Little.

HR 156 was adopted and the title agreed to.

Representative Smith moved that the rules be suspended to report and act upon a Resolution. Agreed.

HR 157, by Representative Smith: A RESOLUTION requesting the Governor of the Commonwealth to take the necessary action to expedite the continuation of the Taylorsville Lake Project.

Representative Smith moved the adoption of the following **HR 157:**

HR 157, A RESOLUTION requesting the Governor of the Commonwealth to take the necessary action to expedite the continuation of the Taylorsville Lake Project.

WHEREAS, authority has been granted by the Congress for the development of the Taylorsville Lake Project; and

WHEREAS, the development of the Taylorsville Lake Project will benefit the citizens of Kentucky through the provision of water supply, flood control, and recreational benefits; and

WHEREAS, the U.S. District Court for the Western District of Kentucky has held the contract between the Commonwealth and the federal government unconstitutional; and

WHEREAS, substantial federal funds have already been expended on the Taylorsville Lake Project; and

WHEREAS, the federal government cannot proceed on the recreational aspects of the Taylorsville Lake Project without a valid contract with the Commonwealth of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Governor of the Commonwealth is urged immediately to take the necessary actions to negotiate a valid contract with the federal government for the continuation of the Taylorsville Lake Project.

Section 2. That the Clerk is directed to send copies of this resolution to the Governor, the Kentucky Congressional delegation, the U.S. Corps of Engineers, the Secretary of the Development Cabinet, and the Secretary of the Department of Finance.

HR 157 was adopted by voice vote.

Representative B. Richardson moved that all Legislative Citations remaining on the Clerk's desk be approved. Agreed.

Legislative Citation No. 114 is as follows:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Mr. Grover Corum of Auburn, Kentucky, for your distinguished services for twenty-three years as the Manager of the Logan County Telephone Company, an indispensable and essential communications service. Your great leadership and influence are far-reaching and most creditable. Your managerial skills, wisdom and dedication resulted in great expansion and growth of facilities and services that surpassed four times its original size during your administration. Your Christian attributed are well reflected in your active participation in the Auburn Baptist Church. As a Rotarian, "service above self" is vividly dramatized. This prestigious body salutes you for your exemplary leadership and extends our best wishes for health and happiness during your retirement. (Sponsored by Representative Foster)

Legislative Citation No. 115 is as follows:

The House of Representatives of the Commonwealth of Kentucky hereby recognizes Mr. James A. Williams as an outstanding volunteer firefighter of the Alexandria and Community Volunteer Fire Department in Alexandria, Kentucky. Your record of a quarter of a century is highlighted with service of a most comprehensive nature involving the sick, the injured, home and hospital confinement, fire prevention programs, school and community services. You have known the human touch, shown great compassion and benevolence. In perilous situations, you exercised great courage and made the supreme sacrifice for others. You have known self-denial and you have always gone beyond the call of duty. This prestigious body applauds you for your dedication and contribution to the welfare and safety of all mankind. Accept our best wishes for future success. (Sponsored by Representative Mann)

Legislative Citation No. 116 is as follows:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Lieutenant Thomas Porter as the outstanding "Police Officer of the Year" selected by the Campbell County Jaycees. Beginning as a patrolman with the Newport Police Department, December 13, 1963 and attaining the present rank as Lieutenant is most complimentary. As teacher of the only certified school in Northern Kentucky, approved by Kentucky Law Enforcement Council, the first certified pistol range, the Bureau of Training and the Bomb Squad, you have had powerful influence in providing trained personnel for more effective and competent services for the welfare and protection of the citizens of the Commonwealth of Kentucky. Today we have more law-abiding citizens due to your fine leadership, benevolence, dedication and high regard for mankind, always going beyond the call of duty. We salute you and extend you our best wishes for continued success. (Sponsored by Representative Mann)

Legislative Citation No. 117 is as follows:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Saint Athanasius Junior Intermediate Boys Team, Louisville, Kentucky, and Coach Bob Bibb, assistant coaches, staff, faculty, students, cheerleaders and administration for winning the championship for the third consecutive year. You have demonstrated qualities of cooperation, dedication, perseverance and brought honor and pride to your school, the community and the Commonwealth of Kentucky. We salute you and wish you much success in the future. (Sponsored by Representative Haering)

Legislation Citation No. 118 is as follows:

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Saint Athanasius Seventh and Eighth Grades Girls' A Team, Louisville, Kentucky, Coach Ben Monhollen, assistant coach, Tony Hildenbrand, faculty, students, staff, cheerleaders and administration for your winning the city championship following seventeen consecutive games. You demonstrated a fine spirit, a cooperative attitude and a great performance bestowing pride and honor upon your school, community and the Commonwealth of Kentucky. We salute you and wish you much success in the future. (Sponsored by Representative Haering)

Legislative Citation No. 119 is as follows:

The House of Representatives of the Commonwealth of Kentucky hereby expresses our profound gratitude and sincere appreciation to Mr. Mark E. Kauper, Manager of the Holiday Inn, Frankfort, Kentucky for your exceptionally fine services during our Legislative interim in your Capital City. Your unique administrative ability to provide top efficiency and accommodations is most complimentary. The marvelous improvements made during your administration is noteworthy. The warm, gracious and relaxing atmosphere provides a climate of internal satisfaction. The food is very nutritious, delicious and well prepared. Room accommodations are a great comfort and most refreshing at all times. Your qualified personnel and staff are cordial, kind, and possess a cheerful attitude that contributes immensely to our needs and comfort. The services of the well trained residents of the Stewart Home School are excellent. Your hospitality and courtesies are a perfect combination for heavily burdened and weary Legislators. Your faith, patience and unrelenting efforts to please us went beyond the call of duty. This prestigious body salutes and commends you for your distinguished services well done, accept our genuine thanks. (Sponsored by Representative McBee)

Legislative Citation No. 120 is as follows:

The House of Representatives of the Commonwealth of Kentucky commends the Business Colleges and Schools for your excellent contribution in providing educational opportunities for the youth of our state. The various disciplines that provide a desirable nucleus for supporting and promoting government, business and commerical enterprises are far-reaching and we hope will help to turn our economy around. The role of the Draughon Business College, Paducah, Kentucky, plays in molding character, providing trained and skilled operators, technicians and varied vocational apptitudes lend themselves to improve the status of economic uncertainties. We are very proud of your dedication and contribution that you are making to the Business Schools and Colleges of the Commonwealth of Kentucky. The outstanding leadership of our schools and colleges, the accomplishments of goals, objectives and achievements, enhance the great American tradition of a sound educational program for all Americans. (Sponsored by Representative McNutt)

Representative Boswell moved that the rules be suspended to allow all properly filed co-sponsor requests to be accepted. Agreed.

Representative Morris requested that his name be added as co-sponsor of **HB 141.** Agreed.

Representative B. Richardson moved that the House stand at ease. Agreed.

Speaker Kenton called the House to order.

Representative Mann moved that the rules be suspended to allow for consideration of **SB 315.**

On the roll call the vote was yeas 53-Adams, Arnold, Barrows, Bendl, Blythe, Brinkley, Cawood, Clapp, Craddock, Crupper, Cyrus, DeFalaise, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Guenthner, Hancock, Hines, Holbrook, Holloway, Jones, Kenton, Kidd, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Nett, Noe, Petty, Richards, B. Richardson, Sale, Schmidt, Smith, Stone, Thomas, Thomason, Tobin, Turner, Wilborn, Williams, Worthington. Nays 8-Blandford, Boswell, Bronger, Curd, Isler, O'Brien, Patrick, Van Horn.

The motion that the rules be suspended to allow for consideration of **SB 315** was adopted.

Representative Mann moved that **SB 315** be taken from the table and placed in Orders of the Day.

On the roll call the vote was yeas 49-Adams, Arnold, Barrows, Bendl, Blythe, Brinkley, Brown, Cawood, Craddock, Curd, Cyrus, DeFalaise, Deskins, Donnermeyer, Ellington, Foster, Freibert, Guenthner, Hancock, Hines, Holbrook, Holloway, Jones, Kenton, Kidd, List, Little, Lundergan, Mann, May, McBee, McKinney, McNutt, Moberly, Nett, Petty, Plummer, Richards, B. Richardson, Sale, Schmidt, Smith, Stumbo, Thomas, Thomason, Tobin, Turner, Wilborn, Williams. Nays 24-Allen, Bennett, Blandford, Boswell, Bronger, Caldwell, Crupper, Dunn, Farrow, Fryman, Gray, Haering, Head, Isler, Noe, O'Brien, Overstreet, Patrick, Priddy, P. Richardson, Stone, Van Horn, Weinberg, Wright.

The motion that **SB 315** be taken from the table and placed in Orders of the Day was rejected.

Representative B. Richardson moved that **HB 971** be withdrawn. Agreed.

Representative B. Richardson moved that no other business be conducted before adjournment on this day other than the duties of the Clerk. Agreed.

Representative B. Richardson moved that when the House adjourns, it do so by voice vote. Agreed.

Recess

Representative B. Richardson moved that the House recess until 9:00 p.m.

On the roll call the vote was yeas 39-Adams, Allen, Arnold, Barrows, Bendl, Bennett, Boswell, Bronger, Caldwell, Cawood, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Freibert, Guenthner, Hines, Holbrook, Isler, Kidd, McBee, Moberly, Nett, Noe, O'Brien, Pearman, Petty, Rapier, Richards, Sale, Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Weinberg, Wilborn. Nays 1-Overstreet.

The motion that the House recess until 9:00 p.m. was adopted.

Speaker Kenton presiding.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 102** had been examined and found correctly enrolled. **SB 102** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Senate Message

Announcing passage of **SR 84.**

Representative Hancock moved that the reading of the Journal of April 15, 1980, be dispensed with and the same approved. Agreed.

Representative Hancock moved that the Journal of the House of Representatives for the 1980 Session be approved. Agreed.

Representative Hancock moved the adoption of the following **SR 84:**

SR 84, A CONCURRENT RESOLUTION to adjourn the 1980 Regular Session of the General Assembly *sine die.*

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That when the Senate and the House of Representatives adjourn on Tuesday, April 15, 1980, they do adjourn *sine die.*

SR 84 was adopted by voice vote.

Adjournment

Representative Hancock moved that the House adjourn sine die.

The motion that the House adjourn sine die was adopted by voice vote.

The Journal of the House of Representatives was read, compared and approved. The House adjourned sine die.

APPROVED: William G. Kenton, Speaker
House of Representatives

ATTEST: Sara Bell, Chief Clerk
House of Representatives

VETO MESSAGE

(Spread Upon the Register of the Secretary of State)

HB 514

By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto House Bill 514.

This legislation retroactively applies itself to pre 1978-80 Capital Construction information in such a manner that it would be in conflict with HB 931, the Executive Budget. Further, the 1980-82 Executive Budget follows the provisions of SB 44, the measure passed by the 1979 Special Session to assure accountability in the Capital Construction Program. HB 514 would complicate and confuse the transition required by SB 44 by imposing new, impractical, and retroactive standards on the entire Capital Construction process and yet would not generate any useful new information.

Even more significant, the combination of Section 17 regarding "general exclusions" and Section 8 (2) prohibiting transfers would complicate and possibly even greatly curtail existing programs such as the School Building Authority Area Development Fund, Community Flood Damage Abatement Fund, Local Health Construction Fund and Riverport Development Fund where particular project allocations are largely dependent on local interest and local project schedules. These sections would preclude internal fund transfers necessary to conduct these programs which are of great benefit to local governments. Senate Bill 44 already contains proper restrictions on transfer of funds, without impairing these programs.

Finally, House Bill 931 includes the requirement that the Legislative Research Commission oversee an independent audit of the Capital Construction Fund to produce essentially the same information sought through House Bill 514. We should have the benefit of this audit, and of experience with implementation of Senate Bill 44 and House Bill 931, before any further refinements such as those mandated by House Bill 514 are considered.

By previous actions the General Assembly has already approved actions which it now attempts to gain the right to approve or disapprove again. Legislative oversight is a proper function of the legislature, but approval or disapproval of administrative action by the legislature is an infringement on the executive branch and is clearly unconstitutional.

s/John Y. Brown, Jr.
Governor

April 9, 1980

HISTORY OF HOUSE BILLS

(Numbers refer to page of House Journal. The text of a bill is given on first reading.
Sponsors are indicated on the page of introduction.)
*Voting modifications appear at the member's name in the subject index.

		Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
					1st	2nd	3rd					
HB	1	26	33									44
HB	2	26	34									34
												44
												53
HB	3	26	33									461
HB	4	26	33									44
												45
												78
												86
												204
												210
HB	5	26	34									39
												45
HB	6	26	34									39
HB	7	26	33									1028
HB	8	26	33	89	89	169	270				294	57
							294					206
												270
												277
HB	9	26	33									204
HB	10	26	33	287	287	316	346			288	346	43
												322
HB	11	26	34	79	79	83	169			80	169	39
										133		45
												89
												135
HB	12	26	34									49
												86
HB	13	26	34									49
												255
HB	14	26	33	1097	1098	1192	1358	2668	2824	1099	1480	413
							1479			1378	1482	1263
										2744	2745	1358
										2745		1365
												1481
HB	15	26	33	414	414	418	516			414	516	44
												57
												210
												489
HB	16	26	33									
HB	17	27	34	1469	1469	1605	2023				2023	614
												1014
												1672
HB	18	27	34	200	200	207				200		78
			40									282
HB	19	27	34									40
												45
												48
HB	20	27	33	539	539	575	645	2343	2860	542	647	53
										614	2736	86

	Intro-duced	Re-ferred	Re-ported		Readings		Senate Message	En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 20	(Cont'd)								615		210
									650		295
									2731		422
									2734		624
									2735		649
									2736		1914
HB 21	27	33	60	60	80	131	460	609	60	132	43
									578	579	45
											83
											86
											135
HB 22	27	34									
HB 23	27	34									57
HB 24	27	33	301	301	335	355	2277	2335	302	355	83
											345
											361
HB 25	27	33									
HB 26	27	33	301	302	335	355	502	503		355	258
											345
HB 27	27	33	301	303	335	3535	502	503		355	258
											345
HB 28	27	33									
HB 29	27	34									53
											772
HB 30	27	34									204
HB 31	27	33									53
											210
HB 32	27	33	299	299	335	381	1476	2824	358	382	44
									2737	2737	53
											75
											86
											135
											255
											351
HB 33	27	34									45
											296
HB 34	27	33									348
HB 35	27	34									53
											258
HB 36	27	34									
HB 37	27	33	165	165	200	316				316	44
											53
											282
HB 38	27	34	264	264	275	336	1611	2824	265	336	57
									2737	2738	298
											455
HB 39	27	34									78
HB 40	27	33									44
HB 41	27	33	298	298	335	406			338	407	53
									358	534	172
									385		345
									484		455
HB 42	28	34	59	59	80	132	294	1020	59	132	48
									765	765	83
HB 43	28	34	126	126	169	207			127	208	40
											48
											172
HB 44	28	33									43

		Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
					1st	2nd	3rd					
HB	45	28	34									296
HB	46	28	34	529	529	575						258 655
HB	47	28	34	417	417	451	503	1031	1193		503	53 185 461
HB	48	28	33	571	572	607	693	1351	1365	573	694	44 637
HB	49	28	33									43
HB	50	28	34	392	392	418	480	2035	2268		480	138 426
HB	51	28	33	175	175	200	250	1921	2860	176 202 206 2738 2831 2832	251 2833	53 78 206
HB	52	28	33									
HB	53	28	34	413 797	413	418	1193	2555	2562	413 457 797 1258	1354	78 135 204 295 455 515 621 1030 1194 1195 1256
HB	54	28	34									39
HB	55	28	33									295
HB	56	28	34									271
HB	57	28	34									
HB	58	28	33									44 1014
HB	59	28	33 41	287	288	316	353	1924	2824	2738	353 2739	43 322
HB	60	28	33									40
HB	61	28	34	126	127	169	208				208	48 172
HB	62	28	33	373	373	406	515	2035	2824	422 458 512 2739	515 2739	83 461
HB	63	28	34	332	332	346	407			385	407	53 204 255 351
HB	64	28	34									48 204
HB	65	28	34									45 49 53 135
HB	66	28	34	1091	1092	1129	1355	2035	2865	1092 2739 2741 2841	1355 2843	34 53 614 704

		Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting	Other Action
					1st	2nd	3rd					
HB	66	(Cont'd)										1151 1153
HB	67	28	33									
HB	68	29	34									204
HB	69	29	34									
HB	70	29	33	218	218	270	335	505	507	220	335	39 282 347
HB	71	29	33	57 339	57	80	407	1923	2824	58 385 2744	408 2744	39 83 363
HB	72	29	34									204 211
HB	73	29	34									
HB	74	29	34	1179	1179	1265						40 53 75 135 171 204 211 347 1256 1571
HB	75	29	33									86 322
HB	76	29	33									
HB	77	29										
HB	78	29	34									78
HB	79	29	33									57
HB	80	29	33									43 89
HB	81	29	33	489	490	515	686			491 649	687	57 624
HB	82	29	33									43 422
HB	83	29	33	89	90	169	249	515	1020	95 201 205 764	249 764	57 172
HB	84	29	34	59	59	80	162	1017	2824	60 2746	133 2746	48 83
HB	85	29	34	258	263	275	353	1000	1020	263	353	138 322
HB	86	29	34	285	285	316	502	1611	2830	286 411 422 484 510 513 519 520 582 633 2747	642 2747	214 391 455 503 582
HB	87	29	34	392	393	418	686	1611	1689	394	686	214 426
HB	88	29	34	258	258	275	336	1000	1020	262	336	78 298

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 89	29	34									549
HB 90	29	34									40 53 171 204 275 456
HB 91	30	34	51 655	51	61	999	2668	2860	52 655 996 2792	999 2792 2867	40 45 48 53 79 86 255 508 778
HB 92	30	34									
HB 93	30	33									39
HB 94	30	34	126	127	169	250	344	359		250	45 48 206
HB 95	30	34	199	199	207	270				270	49 204 214
HB 96	30	33									75 210
HB 97	30	34									295
HB 98	30	34	95	96	169	208	344	609	201 579	209 579	39 45 53 172 211
HB 99	30	34	1502	1502	1605				1515		53 86 204 351 1673
HB 100	30	34 36									83
HB 101	30	33									44
HB 102	30	35	128 246	128	169	380	628	642	129 247 249 349	380	49 204 206 211 322
HB 103	30	34	283	285	316	353	607	1020	766	353 766	185 322
HB 104	30	33	172	172	200	251	628	642	174 202 251	251	206 1059
HB 105	30	33 256	214 322 586	214	335	760	1921	1924	217 218 322 586	760	40 57 75 254 391 515 654
HB 106	30	33	566	566	607	904	2277	2830	567 2748	905 2749	461 704

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 107	30	33									
HB 108	30	34	2051	2052	2268				2052		171 204 211 255 271 1630
HB 109	30	33	1097	1097	1192	2024	2628	2865	1097 1623 2749	2025	40 135 138 255 1285 1672 1914
HB 110	30	33	489	492	515	625			493 616	625	43 524
HB 111	30	33	185	185	207	276	536	576	194	276	44 53 257
HB 112	30	34									
HB 113	30	34									
HB 114	30	34 53 57	683	683	758	999	2345	2464	684	999	778
HB 115	31	33									39
HB 116	31	33									40 53
HB 117	31	33	57	59	80	133	281	292		133	39 53 83
HB 118	31	33	299	299	335	382	1130	1193	300	382	44 351 387
HB 119	31	34	592	592	624	904	1921	1924	769	904	86 339 614 654 1059
HB 120	31	34									185
HB 121	31	34	1446	1446	1605	2025				2025	345 1672
HB 122	31	33	169	169	200	252	607 1130	2860	169 765 2829	252 2830	45 57 206 766 1256
HB 123	31	34	240	242	270	406	1924	2021	244 275 338 386	406	49 53 75 86 322 422
HB 124	31	34									
HB 125	31	34	310	310	335	452	1192	2830	411 2749	452 2750	40 53 57 75 86

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 125 (Cont'd)											204 255 347 417 422 455
HB 126	31	34	392	394	418	577			397 582	577	138 524
HB 127	31	34	441	442	480	534			442	534	255 489
HB 128	31	33									39
HB 129	31	33									39
HB 130	31	34	292	292	316	381	609	627	292	381	53 214 345 387 1256
HB 131	31	33	196	196	207						53 83 298
HB 132	31	34									53 1710
HB 133	31	34									53
HB 134	31	33	49	49	61	83	294 1130	1193	764	84	44 53 79 86 764
HB 135	31	33	159	159	200	252	536	576		252	44 206
HB 136	31	33									75 171
HB 137	32	33	165 301	165	200	408	607	609	301 386	408	44 207 272 363 422
HB 138	32	33	50	50	61						44 53 79
HB 139	32	33	1127	1127	1192						44 1571
HB 140	32	33	301	304	335	382	1924	2824	2750	383 2750	258 351
HB 141	32	34	630	630	640	1130	2560	2830	632 2786 2787	1130 2787 2869	272 1016 1056 2868 2920
HB 142	32	34									
HB 143	32	34	199	199	207	276				276	49 53 255 257 1430
HB 144	32	34	592	595	624	760	2035	2268	601 649	761	49 654
HB 145	32	34									49 53

HISTORY OF HOUSE BILLS

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 146	32	35	97 231	97	169	336	2343	2860	105 231 2751 2759	336 2759	57 86 207 298
HB 147	32	35	97 426	114	169	1265	2555	2562	120 426 1137 1257	1266	49 53 86 207 549 1056
HB 148	32	35									185
HB 149	32	35									185
HB 150	32	35	165	167	200	270	607 1130	2830	765 2787	271 2788	44 214 765 1256
HB 151	32	35	571	574	607	687				687	44 624
HB 152	32	35	448 715	448	480	1047 1193			449		44 515 621 1016 1047 1193
HB 153	32	35									
HB 154	32	35									57
HB 155	35	39	310	312	335	419	1000	1020	412	419	57 391
HB 156	35	39									44 45
HB 157	35	39									
HB 158	35	39	51 258	52	61	316	609	1020	52 903	316 903	43 53 79 138 282
HB 159	38	43									
HB 160	38	43									412
HB 161	38	43	218	220	270	337	2346	2830	2760	337 2760	57 298
HB 162	38	43									83
HB 163	38	43	402	402	418	504	2668	2669		504	86 278 461
HB 164	38	43	461	461	502	625				626	86 586
HB 165	38	43	680	680	758	1000			680 1005	1024	422 778 1000 1004
HB 166	38	43 137									53 86 135 278 279
HB 167	38	43	218 2108	229	270				2108		57 322 1059

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 167 (Cont'd)											2306
											2553
HB 168	38	43									282
											914
HB 169	38	43									78
HB 170	38	43									
HB 171	38	43									
HB 172	38	43									75
HB 173	38	43									
HB 174	38	43									
HB 175	38	43									78
HB 176	38	43	722	722	903	1194			722	1194	206
											1057
											1096
HB 177	38	43	194	194	207	292			249	293	78
											255
											274
HB 178	39	43	558	560	607	905			561	906	53
											206
											704
HB 179	39	43	373	374	406	452	698	767		453	172
											417
HB 180	39	43									
HB 181	39	43									295
HB 182	39	43	466	466	502	687	2550	2562	633	687	135
									652	1046	272
									1025		624
											767
HB 183	39	43									204
											322
											767
HB 184	39	43									322
											767
HB 185	39	43									74
HB 186	39	43									
HB 187	39	43									
HB 188	42	47									508
HB 189	42	47	940	940	998	1477				1477	508
											1016
HB 190	42	47	330	330	346	383			331	383	75
									422	454	258
									423		351
											411
											419
											420
HB 191	42	47									75
											83
											637
HB 192	42	47									258
HB 193	42	47							338		204
									1568		539
HB 194	42	47									43
HB 195	42	47									86
HB 196	42	47									
HB 197	42	47									1430
HB 198	42	47							616		
HB 199	42	47									171
HB 200	42	47	675	675	758	1266				1266	53

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 200 (Cont'd)											138
											1096
HB 201	42	47									74
HB 202	42	47									
HB 203	42	47									
HB 204	43	47	305	305	335	480	1921	1924	457	535	172
						535			510		363
											480
											510
HB 205	43	47	339	339	346	383	1921	1924		383	206
											351
HB 206	43	47	283	283	316	356	2277	2830	285	356	185
									2760	2761	345
									2761		
HB 207	43	47	305	305	335	356	607	609		356	172
											345
HB 208	43	47	339	340	346	383	1921	1924		384	185
											351
HB 209	43	47									278
											539
											767
HB 210	43	47	339	340	346	408	643	690	341	409	73
									385		86
											363
HB 211	43	47	264	267	275	337	643	690	269	337	53
											75
											134
											298
HB 212	43	47									258
HB 213	46	57									413
HB 214	46	57	164	164	200	275			319	354	78
						294					214
						354					276
											277
											294
											338
HB 215	46	57									275
											582
HB 216	46	57									
HB 217	46	57									185
HB 218	46	56									
HB 219	46	56									135
											138
											204
HB 220	46	56									
HB 221	46	57									
HB 222	46	56	489	493	515	610			494	610	83
											549
											614
											1430
HB 223	46	56									83
											637
HB 224	46	57									
HB 225	46	57									
HB 226	46	57	345	345	351	409	2277	2335	512	643	134
						642			616		363
											409
											546
HB 227	46	57									
HB 228	47	57									413

	Intro-duced	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	En-rolled	Sub.or Amend	Voting	Other Action
HB 229	46	57	392	399	418	480	2035	2268	400	481	282 426
HB 230	46	56									339
HB 231	46	57	392	400	418	504			400 484	504	185 461 1256
HB 232	46	57	370	370	406	506	2277	2335		506	78 461
HB 233	47	57	370	370	406	516	2035	2268		516	78 489
HB 234	47	57									
HB 235	47	56	435	435	480	516	1611	2824	436 2761	516 2762	417 489 518
HB 236	47	57	779	779	998	1048	1921	1924		1048	211 1016
HB 237	47	57									
HB 238	47	56	461	461	502	610			463	610	214 549
HB 239	47	56	402	403	418	517			513	517	214 489
HB 240	47	56	196	197	207	317			199	317	83 282 295
HB 241	55	78									
HB 242	55	78									
HB 243	55	78									185
HB 244	55	78									204 211
HB 245	55	78	194 1631	195	207	2038	2668	2860	1644 2173 2794	2038 2794	86 214 1059 1710
HB 246	55	78									
HB 247	55	78									387
HB 248	55	78									387
HB 249	55	78	441 1502	442	480				443 512 1502		138 549 704 2009 2546
HB 250	55	78									
HB 251	55	78	1847	1847	1921	2286	2668	2860	1849 2793	2286 2793 2870	204 2019 2869
HB 252	55	78									
HB 253	55	78									
HB 254	55	78									
HB 255	55	78									
HB 256	55	78									171 339
HB 257	55	78									649
HB 258	55	78	305	307	335	356				356	172 345
HB 259	56	78	258	264	275	352			348	352	185 298
HB 260	56	78									204
HB 261	56	78	405	405	418				131 406		171 278

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 261 (Cont'd)									412		339
									458		489
HB 262	56	78									271
											363
HB 263	56	78	564	564	607				564		255
											637
HB 264	56	78									
HB 265	56	78	240	241	270	535	1923	1924	518	758	134
			469						649		135
									650		322
											388
											515
											536
											547
											627
											691
											700
HB 266	56	78									
HB 267	56	78									
HB 268	56	78									
HB 269	75	78	363	366	406	481	1921	1924	367	481	206
											426
HB 270	75	78									413
HB 271	75	78	1238	1238	1265	1481	2550	2562	1245	1481	637
									1366		1287
HB 272	75	78									138
HB 273	75	78	798	798	998	1048			798	1048	549
									1026		1016
HB 274	75	78									86
HB 275	75	78	1388	1388	1476	2338	2668	2830	1390	2339	170
		185							2795	2795	1142
										2870	2191
											2870
HB 276	75	78									
HB 277	75	78									86
											345
											422
HB 278	75	78	298	298	335	409				409	206
											363
HB 279	75	78	258	263	275	317			275	317	138
											282
HB 280	75	78	258	263	275	318	1017	1046		318	138
											282
HB 281	75	78									
HB 282	76	78	330	331	346	384	2345	2464	332	384	83
											351
HB 283	77	82	434	434	480	517	1924		358	517	296
									2762	2762	361
											489
HB 284	77	83									135
											282
HB 285	77	83									204
HB 286	77	83									
HB 287	77	83	332	332	346	451	1924	2021	483	451	83
											351
HB 288	77	83	723	723	903	1355			726	1607	275
									1284		295
									1366		1153
									1378		1356
									1564		1380

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 289	77	83	566	568	607	1000			569 619	1000	258 778
HB 290	77	83									630
HB 291	77	83									
HB 292	77	82 137									135
HB 293	77	83	310	315	335	409	1000	1020	316	410	138 363
HB 294	77	83									272
HB 295	77	83	558	561	607	1017			1005	1017	359 704
HB 296	82	89	779	779	998	1266	2560	2628	781 1138	1267	86 204 520 1057 1096
HB 297	82	89									
HB 298	82	89	1276	1276	1351	2025			1284	2026	1014 1672
HB 299	82	89	549	549	607	904	2277	2830	554 2763	904 2763	255 509 654
HB 300	82	89									135 171 211
HB 301	82	89	558	558	607				559		322 655 1382
HB 302	86	89									
HB 303	86	89 206	305	307	335	357	1130	1193	308	357	203 206 345
HB 304	86	89									422
HB 305	86	89									422
HB 306	86	89	675	676	758	1131			677	1131	456 1016 1058
HB 307	88	137									422 509 518
HB 308	88	137	489	495	515	611			495	611	282 549
HB 309	88	138									
HB 310	88	137	434	434	480	517				517	185 489
HB 311	88	137									
HB 312	88	138									
HB 313	88	137									539
HB 314	88	137									359
HB 315	88	137	441	443	480	643	1192	1193		643	296 586
HB 316	88	137	530	530	575	626	1611	1689		626	282 586
HB 317	88	138	1012	1012	1017				1013		258 1256 1288
HB 318	88	137	392	401	418	505	1611	1689	401	505 2871	282 461 2870

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 319	88	137	539	545	575	688	2649	2830	546 2763 2764	688 2764	258 624
HB 320	88	137									206
HB 321	88	137									171 621
HB 322	88	137							412		363
HB 323	134	137									171 214
HB 324	134	137	367	367	406	453 507	1611	1689		507	272 417 453 483
HB 325	134	138									272
HB 326	134	137	715	715	903	1046			1026	1046	347 621 998 1005
HB 327	134	137									206
HB 328	134	137	1091	1092	1129	1476			1093 1284 1285 1558	1477	509 1153
HB 329	134	137	305	308	335				309		172 391
HB 330	134	137	489	489	515	691	2035	2268	489	691	388 624
HB 331	134	137									
HB 332	134	137	341	341	346	418	1000	1020	386 387	418	214 255 363
HB 333	134	137	571	574	607	906				906	319 704
HB 334	134	137									345
HB 335	134	137									
HB 336	134	138	592	606	624	1001	2560	2628	606	1001	272 778
HB 337	134	137	920	920	998	1352	2649	2669		1352	345 1096
HB 338	137	185									275
HB 339	137	185									351
HB 340	137	185	1097	1099	1192	1358	2560	2628		1359	582 1263
HB 341	137	185	305	309	335	357	607	609	310	357	258 345
HB 342	171	185									508
HB 343	171	185									
HB 344	171	185	402	404	418	505	1924	2860	405 2764 2828	505 2829	351 387 461
HB 345	171	185	722	722	903						539 1016
HB 346	172	185	345	345	351	418	1017	1046		418	258 363
HB 347	172	185	941	941	998	1359			942	1359	171 258 455 1059 1263

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 348	172	185									272
HB 349	172	185	727	727	903				733		255 295 614 627 767 1030
HB 350	172	185	367	368	406	453				453	322 417
HB 351	172	185									210 319
HB 352	184	206	441	441	480	536				536	322 515
HB 353	184	206	367	368	406	453	1351	1365		453	322 417
HB 354	184	206							249		210 272
HB 355	184	206									272
HB 356	184	206	392	401	418	506	2345	2464		506	282 461
HB 357	184	206									509
HB 358	184	206									319
HB 359	184	206	435	436	480	577	1192	1193	436	577	271 319 524
HB 360	184	206	435	437	480	577 625	1611	1689	619	625	319 524 578 613
HB 361	184	206									319
HB 362	184	206	564	564	607				565 583		275 779
HB 363	184	206	914	914	998	1131	2668	2830	2805	1132 2805	255 1030
HB 364	184	206	441	444	480	644	1923	1924		644	271 275 422 586 1430
HB 365	184	206 282									272 277 1487
HB 366	184	206									
HB 367	185	206									258
HB 368	203	206									
HB 369	204	206									456
HB 370	204	206	524	527	575	691	2345	2464		692	210 456 624
HB 371	204	206									255
HB 372	204	206									509
HB 373	204	206 282									278
HB 374	204	206	446 1918	447	480	2285			2180	2285	210 211 319 489 1014 2009

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 375	205	214	435	438	480	536	2035	2268		536	319 515
HB 376	205	214	435	440	480	536	1924	2824	2764	537 2765	319 515
HB 377	205	214	466	467	502	578			469	578	272 524 582
HB 378	205	214									412
HB 379	205	214									322
HB 380	205	214	391 1846	392	418				519		322 524 1028 2473 2572
HB 381	205	214									282 998
HB 382	211	214	325	325	346	410	643	690	358	410	275 295 363 1059 1196
HB 383	211	214									282
HB 384	211	214									998
HB 385	211	214	392	402	418	538	2555	2562		538	282 426
HB 386	211	214									422
HB 387	213	257									
HB 388	213	257	417	417	451				418		298 524 1487 2037
HB 389	213	257	524	524	575	644	1921	1924		644	363 586
HB 390	213	257									282 914
HB 391	213	256	325	329	346				330		275 363 1059
HB 392	213	257	530	530	575	626	1481	2824	531 2765	626 2765	282 586
HB 393	213	257									455 698
HB 394	213	257	367	369	406	481	1351	1365		481	275 426
HB 395	213	256	772 1487	772	903	2026	2668	2860	775 776 1488 2803 2804 2805	2027 2804 2871	278 630 649 1016 1059 1672 2831 2871
HB 396	213	257	392	402	418	503	1031	1193	485	504	282 426
HB 397	213	256	373	375	406	537	1017	1046		537	272 515
HB 398	213	357									
HB 399	254	256									

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 400	254	257	592	592	624	694	2668	2669		694	520 637
HB 401	254	257									
HB 402	254	256	373	375	406	506	767	1020		506	339 461
HB 403	254	257									275 582 1142
HB 404	254	257									275 582
HB 405	254	257									
HB 406	254	256									274
HB 407	254	256									274
HB 408	256	274	496	496	515	609	1476	1605	497 583	609	363 524
HB 409	256	274									
HB 410	256	274									296
HB 411	256	274									
HB 412	256	274	377	377	406	518	1476	1605	459	534	319 489 518 533
HB 413	256	274									
HB 414	256	274	1228	1228	1265	1615	2668	2669	338 1230	1615	417 1431
HB 415	256	274	524	528	575	758	2560	2628	650 652 696	758	282 624
HB 416	272	274	496	499	515	692	2555	2830	500 2788	692 2789	363 624
HB 417	272	274	1458	1458	1605	2027	2560	2628		2027	298 1672
HB 418	272	274	524	528	575	906			650 769	907	363 704
HB 419	274	282									347 363 422
HB 420	274	282	1838	1840	1921	2572			1380 1840 1841	2572	1382 2473
HB 421	274	282									
HB 422	274	282									
HB 423	278	282									
HB 424	278	282	496	497	515	611	2544	2860	498 2745	611 2745	363 549
HB 425	278	282	722	722	903	1018				1018	539 998
HB 426	279	282	1502	1536	1605	2285	2668	2669	1540	2285	1059 2009
HB 427	279	282	1100	1100	1192	1680			1102	1680	621 1571
HB 428	279	282									539
HB 429	279	282									295 704
HB 430	279	282	683	684	758	1001	2035	2268		1001	456 778
HB 431	279	282									351

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 432	279	282	539	544	575	694				694	422 637
HB 433	279	282	592	593	624	694	2560	2628		695	456 614 637 767
HB 434	279	282									
HB 435	279	282									
HB 436	281	298	571	575	607	692	1611	1689		692	486 624 767
HB 437	281	298	802	802	998	1478	2550	2562		1478	412 1263
HB 438	281	298	558	563	607	761	1924	2021		761	413 654
HB 439	281	297	549	557	607	761	2277	2335	557	761	348 654
HB 440	281	298									621
HB 441	281	297									1060
HB 442	281	297									1060 1256
HB 443	281	298									1142
HB 444	281	298									359 1256
HB 445	281	298	1841	1841	1921	2036	2668	2669		2036	1382 2009
HB 446	281	298	496	498	515	611	2345	2464	583	611	363 549
HB 447	281	298									
HB 448	281	298	675	677	758	1018	1924	2021		1018	363 778
HB 449	281	298	675	678	758	1046	1923	1924	678 1005	1047	363 998
HB 450	282	298	704	707	903	1018	2277	2824	708 2766	1018 2766	486 998
HB 451	282	297	1109	1112	1192	1359	2277	2335		1360	778 1263
HB 452	282	298									
HB 453	295	298	802	804	998	1132				1132	412 1030
HB 454	296	298									456
HB 455	296	298	723	726	903	1132				1132	486 1030
HB 456	296	298	914	916	998	1049	2668	2669		1049	520 1016
HB 457	296	298	1179	1185	1265	1681			1186	1681	456 1151 1571
HB 458	296	298									361
HB 459	296	298	680	680	758	1049			681	1049	422 508 1016
HB 460	296	298									
HB 461	297	321	783	784	998				785 1027		426 1097
HB 462	297	322	469	469	502	607	2544	2865	472 512 538	624 2835	339 515 608

	Intro-duced	Re-ferred	Re-ported		Readings		Senate Message	En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 462 (Cont'd)									584		
									617		
									618		
									619		
									2766		
									2767		
									2833		
HB 463	297	322									339
HB 464	297	322	469	472	502	575	2544	2830	387	576	339
									2769	2769	515
HB 465	297	321									
HB 466	297	321	461	465	502						413
											624
											1028
HB 467	297	321	489	489	515	693	2035	2268		693	388
											624
HB 468	297	321	1084	1089	1129	1360			1090	1360	456
											509
											1058
											1263
HB 469	297	321	704	707	903	1352	2277	2824	2770	1352	509
										2770	582
											767
											1096
HB 470	297	321	704	707	903						509
											547
											582
											1096
HB 471	297	322									1382
HB 472	297	321	586	586	624	759	2021	2824	696	760	515
									2770	2771	637
									2771		1059
HB 473	297	321	791	791	998						637
											1263
HB 474	318	322									1153
HB 475	318	321									363
HB 476	318	321	1489	1489	1605	2028	2550	2562	1490	2028	363
											1672
HB 477	318	322									
HB 478	318	321	783	785	998	1356	2550	2830	786	1356	509
									1138	2772	1153
									1139		
									2771		
HB 479	318	321									582
HB 480	319	321									422
HB 481	319	322	779	782	998	1049	1921	1924		1050	520
											1016
HB 482	319	322	779	782	998	1050	1921	1924		1050	520
											1016
HB 483	319	322	1838	1838	1921	2339			1839	2339	1030
									2526	2477	2191
									2538		2477
HB 484	319	321									1060
HB 485	321	344									
HB 486	321	344									
HB 487	321	344	1060	1066	1129	1360			1067		486
									1379		1263
											1360
HB 488	321	344	715	716	903	1133	2555	2824	2772	1133	621
										2772	1030

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 489	321	344	1278	1278	1351				1282 1623		347 624 1431 2273
HB 490	321	344	1084	1090	1129	1356	1924	2268	1091 1257	1356	456 1153
HB 491	321	344	566	569	607	759	2345	2824	651 2772	759 2773	388 624
HB 492	339	344									361
HB 493	344	351									
HB 494	344	351									
HB 495	344	351									456
HB 496	348	351									456
HB 497	348	351									
HB 498	351	363	566	570	607	762	1611	2824	584 633 2773	762 2774	388 654
HB 499	351	363	637	637	686	998	1924	2021	996	998	412 704
HB 500	351	363	680	681	758	1133	2544	2562		1133	508 1030
HB 501	351	363									582
HB 502	359	363	715	720	903	1134			721 1027	1134	509 1030 1058
HB 503	359	363									
HB 504	359	363 1030	524	528	575				529		456 637 1004
HB 505	362	391	524	529	575	644				644	509 586
HB 506	362	391	1489	1493	1605	2028			1494	2028	509 1672
HB 507	362	391	1234	1234	1265	1482			1236	1482	509 1287
HB 508	362	391									422
HB 509	362	391									456
HB 510	362	390									
HB 511	362	390									422 778
HB 512	362	390									422
HB 513	362	390	590	590	624	760	2035	2268		760	421 637
HB 514	362	391	1847	1849	1921	2288	2668	2669	1854	2289	508 2019
HB 515	362	391	592	593	624	1020	1924	2021		1020	508 998
HB 516	362	391	592	594	624	762	1924	2021		762	508 654
HB 517	362	390	489	496	515	643	2035	2268	496	643	422 549
HB 518	362	391	940	940	998	1050	2560	2628		1050	637 1016
HB 519	362	391	715 1846	717	903				717 1846 2294		387 621 647 1097 1382 2473 2572

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 520	362	391									
HB 521	362	391	1469	1469	1605	2028				2029	704 1672
HB 522	363	390									539
HB 523	363	391									
HB 524	388	391									523
HB 525	388	391									508 1059
HB 526	388	390									422 772
HB 527	388	390									
HB 528	388	391									
HB 529	388	391									539
HB 530	388	391	1038	1038	1129						523 1571
HB 531	388	390	783	786	998				1366		547 630 1263
HB 532	389	391	920 1416	920	998	2034 2275	2658	2824	940 1027 1366 1367 1368 1416 1549 1556 1557 1559 1560 1561 1624 1625 1626 1629 1695 1709 1710 2165 2174 2175 2176 2177 2178 2179 2180 2181 2188 2189 2294 2295 2718 2742 2743	2276 2730 2743	539 547 582 633 767 1031 1059 1571 2035 2275 2742
HB 533	390	417									549
HB 534	390	416									509 581
HB 535	390	416	741	752	903	1019			753 1005	1019	582 998
HB 536	390	417	1841	1842	1921						1382 2473

	Intro-duced	Re-ferred	Re-ported	Readings 1st	2nd	3rd	Senate Message	En-rolled	Sub.or Amend	Voting	Other Action
HB 537	390	417									
HB 538	390	416	590	590	624	762	1924	2021		762 2872	509 654 2872
HB 539	390	416	655	655	758	1001			656	1001	539 767 778
HB 540	390	416	741	742	903	1352	2035	2268		1353	523 1096
HB 541	390	416									1014
HB 542	412	416									772
HB 543	412	416	656	656	758	1002				1002	509 778
HB 544	412	416	683	685	758	1002	1924	2021		1002 2872	621 778 2872
HB 545	412	416									1014
HB 546	412	417									456
HB 547	412	416	549	558	607	695	1611	1689		695	509 637
HB 548	412	416 514	783	783	998	1361			784	1361	509 549 1263
HB 549	412	416									621 1005 1264
HB 550	416	426	704	706	903	1019	2277	2335		1019	515 998
HB 551	416										422
HB 552	416	426	704	708	903	1050	2277	2335	711	1051	486 509 614 649 1016 1256
HB 553	416	426									
HB 554	416	426									422
HB 555	416	426	941	988	998				992		509 1153
HB 556	421	426									461
HB 557	421	426	2386	2393	2464				2396 2399		461 2627
HB 558	421	426									
HB 559	421	426	1841	1843	1921	2285				2286	1382 2009
HB 560	421	426									1382
HB 561	421	426									1382
HB 562	421	426	715	718	903	1020	2277	2335		1020	621 998
HB 563	421	426	1100 1277	1104	1192	1616			1105 1277	1616	621 1263 1285 1431
HB 564	421	426									1014
HB 565	421	460	2043	2043	2268						767 772 2306 2553

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
HB 566	421	426	941	942	998	1051	1611	1921	965 1027 1678	1051 1679	614 649 1016
HB 567	421	426									1028
HB 568	421	426	586	587	624	695	1921	1924		695	515 637 1059
HB 569	425	460									1014
HB 570	425	460									767
HB 571	425	460									1014
HB 572	425	460									621
HB 573	425	460	1711	1812	1921				1813		1432 2009 2546
HB 574	425	460	1388	1390	1476	1683	2668	2669	1006 1007 1403 1561	1683	520 767 1571
HB 575	425	460									509
HB 576	425	460	655	655	758	1021	2544	2860	2774	1021 2826	539 998
HB 577	425	460									621
HB 578	425	460									
HB 579	425	460									
HB 580	425	460	675	678	758	1002	2668	2669		1002	549 778
HB 581	426	460	1012	1013	1017	1353			1013	1353	515 1096
HB 582	426	460									
HB 583	426	460	1038	1040	1129	1681	2668	2830	2795	1681 2795	778 1571
HB 584	426	460									
HB 585	426	460	715	718	903						621 1030
HB 586	426	460	590	591	624	1605			697 1564	1606	509 998 1058
HB 587	426	460	741	743	903	1134	2628	2669		1134 2873	523 1030 2873
HB 588	426	460	1432	1432	1605	2029			1432	2029	704 1672
HB 589	456	460									
HB 590	456	460									
HB 591	456	460									549
HB 592	456	460	1267	1267	1351	2286 2468				2286 2468	778 2009 2467
HB 593	456	460	656	657	758	1047	2668	2669		1047	509 998
HB 594	456	460									2009
HB 595	456	460									
HB 596	486	489									1028
HB 597	486	488	1670	1670	1677	2289	2668	2669	1671	2290	649 1710
HB 598	486	488	656	657	758						520 1030
HB 599	486	488									
HB 600	486	488	723	726	903	1021	1611	1689		1021	539 998

	Intro-duced	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	En-rolled	Sub.or Amend	Voting	Other Action
HB 601	486	488									621
HB 602	486	488									768
HB 603	488	514	741	743	903	1021	2035	2268		1021	582 998
HB 604	488	514	592	594	624	695	2550	2824	2774	696 2774	520 637
HB 605	488	514									582
HB 606	488	514									
HB 607	488	514									
HB 608	488	514									1014
HB 609	488	514	802	804	998	1051	2550	2562	902	1051	621 1016
HB 610	488	514 549									509 546 637
HB 611	488	514	1060	1068	1129	1616			1069	1616	523 1431
HB 612	508	514	1198	1199	1265	1483	2277	2335		1483	649 1287
HB 613	508	514	783	787	998	1052	1921	2830	2775	1052 2775	630 1016
HB 614	508	514									772
HB 615	508	514									
HB 616	508	514									
HB 617	508	514	798	799	998	1052			801	1052	549 1016
HB 618	508	514									
HB 619	508	514									
HB 620	508	514									998
HB 621	508	514									998
HB 622	508	514									
HB 623	508	514									539
HB 624	514	523	1344	1344	1476	2030	2668	2669	1561	2030	510 518 547 767 1014 1672
HB 625	514	523									
HB 626	514	523									704
HB 627	514	523	1109	1112	1192	1483				1483	630 1287
HB 628	520	523									1014
HB 629	520	523									
HB 630	520	523									
HB 631	520	523	1238	1252	1265	1483	2668	2865	1252 1368 2796 2837 2839	1484 2840 2858	772 1287
HB 632	520	523									1195
HB 633	520	523									649
HB 634	520	523									629
HB 635	522	549									
HB 636	522	549	1198	1200	1265	1616				1616	649 1431 1914
HB 637	522	549	1198	1200	1265	1617				1617	649 1431 1914

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
HB 638	522	549	1198	1198	1265	1617	2668	2830	1199 2798	1617 2798	649 1431 1914
HB 639	522	549	1198	1201	1265	1617				1617	649 1431 1914
HB 640	522	549									649
HB 641	522	549 788									767 1630
HB 642	522	549	741	748	903	1052	2277	2335		1052	630 1016
HB 643	522	549	741	748	903	1022	2560	2865	2776	1022 2826	624 998
HB 644	522	549	1446	1447	1605	2023	2668	2669		2023	649 1672
HB 645	522	549	1446	1447	1605	2024	2560	2628		2024	649 1672
HB 646	522	549	1446	1448	1605	2025				2025	649 1672
HB 647	522	549	1446	1448	1605	2026	2550	2562		2026	649 1672
HB 648	522	549									649
HB 649	522	549									
HB 650	522	549									649
HB 651	523	549									547 772
HB 652	523	549	1644	1665	1677	2338	2668	2669	1666	2338	630 1710
HB 653	523	549	1162	1163	1265	1483	2668	2669		1483	630 1287
HB 654	523	549									1382
HB 655	523	549									
HB 656	523	549	741	749	903	1053	2560	2628		1053	624 1016
HB 657	523	549	741	750	903	1022				1022	624 998
HB 658	523	549	741	750	903	1022				1022	624 998
HB 659	539	549	1007	1007	1017	1484	2668	2830	1007 1008 1558 2797	1484 1686 2798	624 1025 1287 1622
HB 660	539	549									
HB 661	539	549									
HB 662	539	548	791	793	998	1135	2668	2669	795	1135	637 1030 1059
HB 663	539	549	783	787	998	1135	2035	2268	789	1136	630 1030
HB 664	539	549	741	751	903	1023				1023	624 998
HB 665	539	549									
HB 666	548	585									914 1005
HB 667	548	585									
HB 668	548	585	1489	1495	1605	2030	2555	2562	1496	2030	704 1005 1672

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 669	548	585	742 2373	753	903	2476	2668	2669	755 1258 1285	2476	649 1096 2035 2473
HB 670	548	585									
HB 671	548	585	1162	1163	1265	1618			1170	1618	1014 1431
HB 672	548	585	1572	1579	1677	2039			1581	2039	1014 1710
HB 673	548	585									
HB 674	548	585									637 1096
HB 675	548	585	1586	1587	1677	2280	2550	2562	1587	2280	772 1710
HB 676	548	585	1489	1499	1605				1501		704 1710 2335
HB 677	548	585									649
HB 678	581	585									1382
HB 679	581	585									998
HB 680	581	585									1028
HB 681	581	585	1038	1041	1129	1477			1042 1257	1477	778 1153
HB 682	585	623	1458	1458	1605						1028 1710 2545
HB 683	585	623	1060	1060	1129	1357	2277	2335		1357	637 1153
HB 684	585	623									1382
HB 685	585	623									
HB 686	620	623									1028
HB 687	620	623									
HB 688	620	623									
HB 689	620	623									1382
HB 690	620	623									1028 1256
HB 691	620	623									778
HB 692	620	623	1644	1644	1677	2037	2668	2669		2037	778 1710
HB 693	620	623									1059
HB 694	620	623									778
HB 695	620	623	1238	1254	1265				1369		914 1287 1681
HB 696	620	623									778
HB 697	620	623									778
HB 698	620	623									778
HB 699	620	623	1644	1645	1677	2278	2668	2669	1139	2278	778 1710
HB 700	620	623	1644	1653	1677						637 1710 2545
HB 701	620	623 637									627 698
HB 702	620	623 637	1176	1176	1265	1484	2544	2562	1371	1484	627 698 1287
HB 703	620	623 637	1208	1220	1265	1485	2544	2562	1372	1485	627 698 1287

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
HB 704	620	623 637	1176	1177	1265	1618	2560	2830	2777	1618 2778	627 698 1431
HB 705	620	623									1382
HB 706	620	623	1458	1459	1605	2031				2031	772 1672
HB 707	620	623	1644	1664	1677	2278			1665 1708	2278	649 1710
HB 708	620	623	1109	1113	1192	1361				1361	1028 1263
HB 709	620	623									772
HB 710	620	623									698
HB 711	621	623	1109	1114	1192						698 1571
HB 712	621	623	1150	1150	1192				1372 1557 1566		698 1287 2545
HB 713	621	623	1109	1115	1192	1618				1618	1028 1431
HB 714	621	623									
HB 715	621	623	1586	1586	1677	2280				2280	1014 1710
HB 716	621	623									
HB 717	621	623	1179	1187	1265	1485	2560	2628		1485	614 697 772 1287 1914
HB 718	623	637									1028
HB 719	629	637	1208	1222	1265	1678	2560	2628		1678	1028 1431 1914
HB 720	629	636									704
HB 721	629	636	1436	1436	1605	2026	2668	2669		2026	1059 1672
HB 722	629	636									772
HB 723	629	637	1546	1546	1605						914 1672 2031
HB 724	629	637	914	917	998	1053			1027 1028	1053	649 1016
HB 725	629	637									1284
HB 726	629	637	1031	1031	1129	1357				1357	998 1153
HB 727	630	637									
HB 728	635	654									
HB 729	635	654	1154	1155	1265	1607				1607	1014 1287
HB 730	635	654	1100	1105	1192	1608	2560	2628		1608	1014 1287
HB 731	635	654									
HB 732	635	654	1388	1404	1476	1683	2560	2628	1626	1683	1195 1571
HB 733	635	654	1644	1654	1677	2280	2668	2669		2280	772 1710
HB 734	635	654	1100	1103	1192	1608	2555	2562	1103	1608	1014 1287
HB 735	635	654									772

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
HB 736	635	654									1382
HB 737	635	654	1162	1171	1265	1608				1608	704 1287
HB 738	635	654	1162	1172	1265	1609	2560	2628	1176 1561	1609 1685	704 1287 1622
HB 739	635	654									1382
HB 740	635	654									1710
HB 741	635	654	1060	1060	1129	1357	2555	2562	1060	1357	772 1153
HB 742	635	654									
HB 743	635	654									
HB 744	635	654									
HB 745	635	654									914
HB 746	635	654	1446	1448	1605	2024				2024	914 1672
HB 747	636	654	1572	1573	1677	2281	2668	2669	1574	2281	1059 1710
HB 748	636	654									
HB 749	636	654									
HB 750	636	654									772
HB 751	636	654									
HB 752	636	654	1208	1222	1265	1679			1373 2014		772 1431 1679 1914
HB 753	636	654	1208	1223	1265	1609	2544	2562		1610	772 1287 1914
HB 754	636	654	1208	1225	1265	1610	2544	2562		1610	772 1287 1914
HB 755	636	654									772 1430
HB 756	636	654									
HB 757	636	654	1458	1460	1605	2031	2668	2860	2798	2031 2827	778 1672
HB 758	636	654									
HB 759	636	654									
HB 760	647	654									
HB 761	647	654									778
HB 762	648	654									778
HB 763	648	654	1644	1660	1677	2281				2281	1142 1710
HB 764	648	654									778
HB 765	648	654									1195
HB 766	648	654	1143	1143	1192	1610	2544	2562	1149 1150	1610	772 1005 1287
HB 767	648	654	1267	1268	1351	2032	2668	2669	1693	2032	772 1672
HB 768	648	654									1196
HB 769	648	654									
HB 770	648	654									
HB 771	648	654									
HB 772	648	654									
HB 773	648	654									
HB 774	648	654									

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 775	648	654									1059
HB 776	648	654									1142
HB 777	648	654	1979	1979	2020	2289			1981	2289	1630 2019
HB 778	648	654									
HB 779	648	654	1469	1469	1605	2278	2668	2669	1473 1627 2018	2279	1196 1710
HB 780	648	654									
HB 781	648	654									
HB 782	648	654 1183	1979	1981	2020						1140 1195 2019 2548
HB 783	648	654									704
HB 784	648	654									
HB 785	648	654									1196
HB 786	648	654	1446	1448	1605	2027	2555	2562		2027	1059 1672
HB 787	648	654	1583	1583	1677				1583		772 2464
HB 788	648	654									772
HB 789	653	703									
HB 790	653	704									1287
HB 791	653	704	1344	1349	1476	1684	2560	2628		1684	914 1571
HB 792	653	704							770		1005
HB 793	653	703	1918	1918	2020	2286	2668	2830	1920 2801	2287 2801	767 1005 1014 2009
HB 794	653	704									914
HB 795	653	703									
HB 796	653	704	1179	1188	1265	1611			1566	1611	772 1287
HB 797	653	704									
HB 798	653	704									
HB 799	653	704									
HB 800	653	703									
HB 801	653	703									
HB 802	653	703	1644	1666	1677	2281			1670	2281	1096 1710
HB 803	653	703									
HB 804	653	703	1100	1105	1192						1014 1571
HB 805	653	704									914
HB 806	653	704	2043	2044	2268	2465				2465	1487 2306
HB 807	654	704									998
HB 808	654	703									914
HB 809	654	704									
HB 810	654	704									
HB 811	654	704									1256
HB 812	654	704									1382
HB 813	697	704									998
HB 814	697	704									1014
HB 815	697	703	1276	1277	1351	1681				1682	1059 1571
HB 816	697	703	1109	1115	1192	1361	2560	2865	2778	1362 2858	778 1263

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 817	697	703	1572	1575	1677	2465			1576 1624 2016 2018 2304 2459	2465	1382 2009
HB 818	697	703	1109	1115	1192	1362	2544	2562	1629	1362 1685	778 1263 1622
HB 819	697	703									772
HB 820	697	704									
HB 821	697	704	1502	1542	1605	2273	2668	2669	1543	2273	778 1672
HB 822	697	704									914
HB 823	698	704	1469	1474	1605	2282	2668	2669		2282	1014 1710
HB 824	698	704									
HB 825	698	703									1059
HB 826	698	704	2043	2045	2268						1630 2306 2553
HB 827	698	704	1446	1456	1605	2027				2028	1030 1672
HB 828	698	704									1028
HB 829	698	703									767 1005 1630
HB 830	698	704	1208	1209	1265	1620	2560	2865	1215 1375 1548 1558 1562 2778 2780 2835 2840	1621 2836 2841	1028 1431
HB 831	698	703									1005
HB 832	698	704									1096
HB 833	698	703	1644	1660	1677	2282	2668	2669		2282	778 1710
HB 834	698	703	1644	1660	1677	2282	2668	2669		2283	778 1710
HB 835	702	778	1586	1588	1677	2032	2560	2628	1562 1592 1629 1698	2032	767 1028 1710
HB 836	702	778									1382
HB 837	702	778									
HB 838	702	778	1084	1084	1129	1362	2550	2562	1089	1362	998 1005 1059 1263 1430
HB 839	702	778	1109	1109	1192	1478			1110	1478	1014 1263
HB 840	702	778									
HB 841	702	778	1162	1170	1265				1171		1014 1711

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 842	702	778	1583	1584	1677	2283			1585 2016	2283	1059 1710
HB 843	702	778									
HB 844	702	778	1162	1170	1265	1612				1612	1014 1287
HB 845	702	778									
HB 846	702	778	1972	1972	2020				2422		1382 2464
HB 847	702	778									1028
HB 848	702	778									1059
HB 849	702	778	1469	1474	1605	2036				2036	1096 1672
HB 850	702	778	1109	1117	1192	1363	2277	2335		1363	1014 1263
HB 851	702	778	1179	1188	1265						914 1673
HB 852	702	778	1208	1226	1265	1619	2560	2628		1619	1028 1431 1914
HB 853	702	778	1208	1226	1265	1612	2668	2669		1612	1028 1287 1914
HB 854	703	778	1458	1460	1605						1028 2306
HB 855	703	778	1583	1583	1677						1014 1710 2546
HB 856	703	778	1572	1582	1677	2283			1582 1583	2283	1059 1710
HB 857	703	778	1196	1196	1265	1486	2544	2865	1197 2849	1486 2850	1059 1287
HB 858	703	778	1388	1410	1476	2021	2668	2860	1412 1628 2780 2781 2827	2022 2828	1142 1571
HB 859	703	778	1388	1412	1476	2284	2668	2669		2284	1142 1710
HB 860	703	778	1458	1465	1605	2284				2284	1284 1710
HB 861	703	778	1674	1674	1921						1287 2473
HB 862	703	778									
HB 863	703 1030	778	1267	1269	1351	1680	2668	2865	1273 1274 1629 1692 2175 2294 2799 2800	2336 2856	1025 1059 1431 1680 2039
HB 864	703	778	1198	1201	1265	1485	2649	2830	1208 1375 1558 1562 1624 2789	1687 2789	914 1287 1486 1548 1622
HB 865	703	778									1096
HB 866	770	778									1142

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 867	770	778									1096
HB 868	771	778									
HB 869	771	778									
HB 870	771	778									1287
HB 871	771	778									
HB 872	771	778									
HB 873	771	778									998
HB 874	771	778	1109	1118	1192	1612	2668	2860	2806	1612 2806	998 1287
HB 875	771	778	1264	1264	1351	1682	2668	2860	2806	1682 2807	1005 1059 1571
HB 876	771	778									
HB 877	771	778	1388	1412	1476	2022			1414	2022	1142 1571
HB 878	771	778									1059
HB 879	771	778									
HB 880	771	778	1972	1973	2020						1142 2559
HB 881	771	778	1383	1383	1476	1682			1388	1683	914 1571
HB 882	771	778									
HB 883	771	778									
HB 884	771	778									
HB 885	771	778									914
HB 886	771	778									
HB 887	771	778	1179	1189	1265	1619				1619	1028 1431
HB 888	771	778									1014
HB 889	771	778	1127 2070	1128	1192						998 1673 2009
HB 890	771	778									998
HB 891	771	778									1025 1195
HB 892	771	778	1469	1474	1605	2036			1475	2036	998 1672
HB 893	771	778									1096
HB 894	771	778	1109	1110	1192	1619	2544	2562	1112	1620	998 1431
HB 895	772	778									
HB 896	772	778									
HB 897	772	778									1059
HB 898	772	778	1586	1586	1677				1586		1142 2464
HB 899	772	778									1005 1264
HB 900	772	778									1195
HB 901	777	997	1154	1154	1265	1682	2560	2628	1154	1682	1014 1571
HB 902	777	997									1028
HB 903	777	997							1375		
HB 904	777	997									1028
HB 905	777	997									1142
HB 906	777	997									1059
HB 907	777	997									1196
HB 908	777	997									
HB 909	777	997	1154	1156	1265	1613	2560	2628		1613	1014 1287

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
											1430
HB 910	777	997	2399	2399	2464						1059 2559
HB 911	777	997	1100	1106	1192	1363	2345	2464		1363	1014 1263
HB 912	777	997									1142
HB 913	777	997	1388	1415	1476	1684	2668	2669		1684	1142 1571
HB 914	777	997									
HB 915	777	997									
HB 916	777	997									
HB 917	777	997									
HB 918	911	997	1264	1264	1351	1620	2668	2669		1620	1028 1431
HB 919	911	997	1208	1208	1265	1613			1209	1613	1028 1287 1914
HB 920	911	997	1123	1123	1192	1679			1125 1376	1679	1014 1287
HB 921	911	997									
HB 922	911	997									
HB 923	911	997									1014
HB 924	911	997									1014
HB 925	911	997									1014 1025
HB 926	912	997									
HB 927	912	997	1979	1984	2020	2340			1994 2002 2010 2295	2340	1025 1195 1256 2019
HB 928	912	997									
HB 929	912	997									
HB 930	912	997	1847	1859	1921						1382 2473
HB 931	912	997	1288 1926	1288	1476	2269	2658	2865	1926 2018 2162 2163 2164 2169 2170 2171 2172 2173 2174 2176 2179 2180 2671 2717 2843	2272 2848	1028 1571 2019 2718 2744
HB 932	912	997									1028 1430
HB 933	912	997									
HB 934	912	997									
HB 935	912	997									
HB 936	912	997	1228	1232	1265	1613	2550	2830	1233 1563 2790	1613 2790 2791	1028 1287 2791
HB 937	912	997	2323	2323	2464						2035 2559

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 938	912	997									
HB 939	912	997									1264
HB 940	912	997									
HB 941	912	997									
HB 942	912	997									1256
HB 943	912	997									
HB 944	912	997									1016
HB 945	912	997									
HB 946	912	997									1059
HB 947	912	997									
HB 948	912	997									1382
HB 949	912	997									
HB 950	912	997									1382
HB 951	912	997									1096
HB 952	913	997	1583	1583	1677	2284			1584	2284	1284 1710
HB 953	913	997									1256
HB 954	913	997	1670	1671	1677	2290	2668	2669		2290	1196 1710
HB 955	913	997	1264	1264	1351	1620	2346	2464		1620	1028 1151 1431
HB 956	913	997 1030									1025 1142
HB 957	913	997	2051	2053	2268						2019 2306 2553
HB 958	913	997									1028 1430
HB 959	913	997	1469	1475	1605	2037				2037	1096 1672
HB 960	913	997									1287
HB 961	913	997									
HB 962	913	997									1059
HB 963	913	997									1142
HB 964	913	997									
HB 965	913	997									
HB 966	913	997									
HB 967	913	997	1154	1157	1265	1621	2560	2628		1621	1028 1431
HB 968	913	997	1288 1630	1324	1476	1925	2628	2865	1627 1631 1690 1693 1698 2019 2163 2165 2168 2172 2801 2802 2852	1925 2034 2853	1028 1571 1672 2022
HB 969	913	997	1502	1544	1605	2029	2668	2860	1545 2807	2029 2031 2809	1059 1430 1672 2030
HB 970	913	997	1288 1630	1327	1476	1923	2628	2669	1564 1625 1627	1924	1028 1256 1430

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd					
HB 970 (Cont'd)									1628		1571
									1629		1672
									1635		1914
									1695		
									1696		
									1698		
HB 971	913	997									2920
HB 972	913	997	1432	1432	1605	2021	2628	2669	1435	2021	1096
									1625		1430
									1708		1672
HB 973	913	997	1288	1329	1476	1922	2567	2628	1638	1922	1028
			1630						1690		1571
									1693		1672
									1703		
									2009		
									2010		
HB 974	913	997	1711	1711	1921	2287	2649	2830	1761	2287	1096
									2802	2803	2009
											2479

HISTORY OF HOUSE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.)
*Voting modifications appear at the member's name in the subject index.

		Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Adopted	Senate Message	Enrolled	Voting	Other Action
HR	1	32	33									204
HR	2	33	34									
HJR	3	33	33	165	167	200						78 171 207
HCR	4	33	34	95	95	169	209	209	502 1131	1193	209 580	39 172 579 580 612 766
HJR	5	33	33	448	449	480	533					78 489 533
HCR	6	33	34	1458	1466	1605	2037	2037	2668	2669	2037 2874	778 1467 1672 2874
HCR	7	33	33	163	163	200						45 48 171 274 278 455
HJR	8	33	35	239	239	270	293	293	515	609	293 580	39 204 239 274 580
HCR	9	33	35	239	240	270	293	294	419	421	293	39 204 274 278
HR	10	9						10				
HR	11	9						9				
HR	12	33	35	282	283	316	346	346			346	57 322
HR	13	10						13				
HR	14	35						40				40 41 45 86
HJR	15	39	43	240	240	270	357					204 345 357
HR	16	39	43									204 348
HR	17	43						61				54 75 85

		Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Voting	Other Action
					1st	2nd	3rd					
HR	18	47	57									
HCR	19	47	57	332	334	346	384	384	505	507	384	255 351
HCR	20	56	78									282
HJR	21	56	78	1918	1920	2020	2287	2287	2668	2669	2287 2873	1059 1921 2009 2873
HR	22	56	78									138
HR	23	56	83									75 204 282
HJR	24	77	83	727	740	903	1053	1054	2035	2268	1054	86 741 1016
HR	25	56	83	332	334	346	385	385			385	255 351
HCR	26	56	78	264	269	275	318	318	505	507	318	185 271 282
HJR	27	76	78	135	135	169	201	201	256	271	201	78 83 133 172
HR	28	77	83									282
HR	29	78	83	530	531	575	645	645			645	86 282 586
HR	30	82	89 172	207	207	249	276	277			276	171 203 204 211 257 271 295
HR	31	82						85				
HR	32	82	89	496	499	515	626	627			627	363 499 586
HR	33	82	89									204 275
HJR	34	88	138	1179	1191	1265	1614	1614	2544	2562	1614	204 1287
HCR	35	134						170	200	271		
HR	36	137						170				
HCR	37	172	185	779	783	998	1136	1136	1611	1689	1136	204 520 1030
HR	38	185	206	332	335	346	482	482			482	255 426
HR	39	205						210				
HJR	40	213	256	571	571	607	1017	1018	2544	2865	1017 2854	704 768 2791 2854
HR	41	253						253				253
HCR	42	254	257	530	532	575	693	693	2560	2628	693	282 295 614 624

		Introduced	Referred	Reported		Readings		Adopted	Senate Message	Enrolled	Voting	Other Action
					1st	2nd	3rd					
HJR	43	254	256	448	450	480	576	576	1476	1605	576	298 515
HR	44	254	257	359	360			360				339 347
HR	45	256						271			272	
HCR	46	279	282	2191	2191	2335	2564	2564			2564	456 2464
HR	47	279	282									
HR	48	297										
HR	49	319	322	469	479	502	693	693			693	412 624
HR	50	319	322									
HR	51	321	344									
HR	52	344	351	1012	1014	1017	1194				1194	426 1096 1151
HR	53	347						347				
HCR	54	350						350				
HR	55	351						360				
HR	56	351						352			352	
HCR	57	363	391	530	532	575	645	645	1611	1689	645	456 586 622
HR	58	363	390									1382
HR	59	388	391									
HR	60	388	391	530	531	575	686	686			686	456 586
HR	61	388	391									417
HR	62	390	417									508 519
HR	63	416						420			420	
HR	64	421						425			425	
HJR	65	456	460	704	705	903	1023	1023	2277	2335	1023	523 998
HCR	66	456	460	1060	1065	1129	1363	1363			1363	1263
HCR	67	456	460	1972	1973	2020						1487 2559
HR	68	460	488									914
HR	69	460						484				
HR	70	460						485				
HR	71	460						486			487	
HR	72	488						510				
HR	73	520	523	791	796	998	1136	1136			1136	637 796 1030
HR	74	539	549									1142
HR	75	548						627				
HR	76	548						628				614
HR	77	582						613				613
HCR	78	582	585	1084	1089	1129	1358	1358	2544	2562	1358	914 1153 1285
HCR	79	585	623									1382
HCR	80	621	623									1195
HCR	81	621	623	1176	1179	1265	2022	2023	2668	2669	2023	630 1571
HR	82	623						628				
HCR	83	636	654	1179	1191	1265	1614	1614	2668	2669	1614	914 1287

		Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Voting	Other Action
					1st	2nd	3rd					
HCR	84	636	654	1835	1835	1921	2288	2288			2288	1196 2009
HR	85	636						699				
HR	86	636	654									
HCR	87	636	654	1208	1227	1265	1614	1615			1614	698 1256 1287
HCR	88	648	654	1388	1415	1476	1685	1685	2668	2669	1685	1195 1571
HJR	89	649	654									
HR	90	654						688			689	
HR	91	654	703									
HJR	92	698	704									
HR	93	698						699				
HCR	94	698	703	1162	1162	1265	1615	1615	2544	2562	1615	1028 1287
HR	95	698						700				
HR	96	703	778	1979	2002	2020	2289	2289			2289	1142 2019
HJR	97	772	778									
HJR	98	772	778									
HR	99	777						1003				
HR	100	778						1004				
HR	101	778						908				
HR	102	913	997	2374	2374	2464						1060 2627
HCR	103	913	997									
HJR	104	914	997	1154	1161	1265	1615	1615			1615	1005 1014 1287 1380
HCR	105	914	997	1458	1467	1605	2038	2038	2668	2669	2038	1284 1672
HCR	106	914	997	1458	1468	1605	2038	2038			2038	1284 1672
HCR	107	914	997	1458	1468	1605	2279	2279			2279	1284 1672
HCR	108	914	997	1841	1844	1921	2288	2288			2288	1382 2009
HR	109	1028	1030	2120	2140	2268	2553	2554			2553	1195 2306
HR	110	1028	1030									
HR	111	1059	1096									2020
HCR	112	1142	1153									1264
HCR	113	1142	1153									1151 1264
HR	114	1195	1263	1972	1974	2020	2339	2339			2339	1487 2191
HR	115	1263	1287	2308	2308	2464	2629	2630			2629	2009 2464
HR	116	1382	1431	2323	2332	2464	2564	2565			2564	1710 2464
HR	117	1382	1431	1841	1844	1921	2288	2288			2288	1487 2009
HCR	118	1366	1382	1845	1845	1921	2290	2290			2290	1382 2009
HR	119	1431						1548				
HR	120	1487						2161				

		Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Voting	Other Action
					1st	2nd	3rd					
HJR	121	1487	1570	1847	1860	1921	2273				2273	1630 1704 1861 2009
HR	122	1572						1606				
HR	123	1630										
HR	124	1630						1915				
HR	125	1630						1916				
HCR	126	1710	1918	2151	2157	2268	2549	2550			2549	2009 2306
HR	127	2020						2161				
HR	128	2040						2291				
HR	129	2040						2268				
HR	130	2274						2274				
HR	131	2306						2344				
HR	132	2306										
HR	133	2345						2821				
HR	134	2343						2343				
HR	135	2338						2338				
HR	136	2479						2821				
HR	137	2544						2544				
HR	138	2669						2669				
HR	139	2621										
HR	140	2622						2820				
HR	141	2622						2820				
HR	142	2628						2670				
HR	143	2786						2822				
HR	144	2786						2819				2820 2831
HR	145	2786						2823				
HR	146	2859	2859									
HR	147	2819						2822				
HR	148	2819						2820				
HCR	149	2865						2865	2865			
HR	150	(The House Resolution number 150 was not introduced.)										
HR	151	2897						2899				
HR	152	2897						2898				
HR	153	2897						2900				
HR	154	2897						2902			2902	
HR	155	2916						2916				
HR	156	2917						2917				
HR	157	2918						2918				
HR	158	2917						2917				

HISTORY OF SENATE BILLS

(Numbers refer to page of House Journal. The text of a bill is given on first reading.)
*Voting modifications appear at the member's name in the subject index.

		Senate Message	Referred	Reported		Readings		Enrolled	Sub.or Amend	Voting	Other Action
					1st	2nd	3rd				
SB	1	390	417	1267	1275	1351	2469	2824	1275 1566	2470	772 1571
SB	4	1000	1016								1487
SB	6	425	460	1038	1042	1129	1478	1605		1478	520 1153
SB	7	281	297	586	588	624	763	998		763	515 654
SB	10	425	460	1644	1661	1677	2476		1693	2476	1710
SB	11	213	257	1847	1861	1921	2551	2628		2551	520 2019
SB	13	138	185	435	440	480	535	576		535	417 489
SB	14	536	549	1838	1841	1921	2557	2865	2527 2574 2575	2557 2833	1382 2191
SB	15	73	78								211
SB	17	609	623	2149	2149	2268	2655	2865	2590 2591 2612 2615	2655	704 2627
SB	18	277	282	1436	1438	1605	2470	2824	1440 1566	2471	388 1672
SB	19	1192	1263	2348	2348	2464			2353 2450 2526		1487 2559
SB	20	407	416	2312	2312	2464	2565	2824	2313 2411 2420	2565	486 1382 2464
SB	21	277	282	1436	1446	1605	2472	2544	1704 2172	2472	388 1672
SB	22	510	514	2312	2313	2464	2565	2628	2415	2565	637 2464
SB	23	1476	1572						1696 1698		2306
SB	25	510	514	1436	1441	1605	2551	2824	1445 2010 2162 2165	2551	549 2009
SB	26	351	363	1060	1069	1129	2466	2824	1083 1139 1257 1567 2170	2467	422 1571
SB	27	767	778	1127	1129	1192	2468	2544		2468	998 1287
SB	29	277	282	391	391	418	482	502		482	359 426
SB	31	213	257	2264	2264	2335	2639	2824	2266 2526 2514	2640	456 2464
SB	32	138	185	1644	1661	1677	2547	2830	1708	2547 2809	624 1710

		Senate Message	Re-ferred	Re-ported		Readings		En-rolled	Sub.or Amend	Voting	Other Action
					1st	2nd	3rd				
SB	33	277	282	1097 2070	1100	1192	2563	2628		2563	772 1263 1630 2464
SB	37	1192	1263								2040
SB	38	1351	1630						1567		1674
SB	39	628	637	1123 2373	1126	1192	2648	2790	2373 2575	2648	914 1263 1487 2559
SB	40	281	297	373	373	406	483	502		483	339 426
SB	41	344	351	1060	1060	1129	1687	2865	1256 1257 1258 1376 2855	1689 2855	388 1153
SB	42	205	214	1031	1033	1129	1359	1605		1359	549 1153
SB	43	84	89	330	330	346	482			482	206 426
SB	44	390	416	1572	1576	1677	2546	2865	1579 2016 2170 2176 2178 2857	2547 2560 2857	1014 1710 2550
SB	45	281	297	1100	1106	1192	1364	1924	1108	1364	417 1263
SB	46	89	137	446	446	480	578	607		578	339 524
SB	47	213	257								282
SB	53	213	257	564	565	607	696	1003	619	696	275 637
SB	56	213	257	2051	2054	2268	2567	2628		2567	1382 2464
SB	57	73	78	377	378	406	576	607		576	348 515
SB	58	643	654	1123	1126	1192	2471 2565		1568 1694 2535 2536 2606	2566 2649	772 1672 2472 2550 2566
SB	59	205	214	798	801	998	1194 2466	2824			509 1030 1194 1382
SB	60	84	89	258	264	275	354	382		354	138 322
SB	62	89	137	363	363	406	537	642	366 485	537	345 515
SB	63	89	137	363	366	406	507	607	366	507	345 461
SB	65	213	257	2308	2308	2464	2640	2669	2592	2640	1195 2464
SB	66	1192	1263	1979	2003	2020	2475	2544		2476	1382 2306
SB	68	628	637	2252	2252	2335	2639	2669	2596	2639	1382 2464

	Senate Message	Re-ferred	Re-ported	Readings 1st	2nd	3rd	En-rolled	Sub.or Amend.	Voting	Other Action
SB 72	1265	1287	2409	2409	2464	2630	2668	2421 2422 2596 2604 2608 2616	2630	1630 2473
SB 75	213	256	446 941	447	480	1054	1605	941	1054	388 549 649 1016
SB 76	390	416	586	588	624			770		422 779 2040
SB 77	213	257	2251	2251	2335					456 2473 2557
SB 79	1265	1287	2260	2261	2335	2645	2824	2264	2645	1382 2473
SB 80	1351	1431	1976	1976	2020	2475	2544		2475 2535	1605 2191
SB 85	200	206								
SB 90	510	514	783	789	998	1054	1193		1054	549 1016
SB 91	213	256	448	450	480	612	767	451	612	417 549
SB 93	1921	2020								
SB 99	213	257	469	479	502	538	579		538	359 515
SB 100	1031	1096	2149	2149	2268	2554	2567		2554	1710 2306
SB 102	1265	1287	1833	1833	1921	2340	2921	1628 1692 1703 1834 1835 2017 2163 2176 2293 2294 2295 2297 2298 2303 2304 2454 2460 2461 2462 2463 2860 2894 2908	2474 2915	1487 2191 2342 2468
SB 108	419	426	1847	1905	1921	2551	2824	2529	2551	1195 2191
SB 109	281	297	566	571	607	763	998		763	388 654
SB 114	1265	1287	2046	2046	2268			2049 2050		1432

	Senate Message	Referred	Reported	Readings			Enrolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd				
SB 114 (Cont'd)								2179 2297 2420 2456 2459		
SB 116	1130	1153	2050	2050	2268	2554		2051 2303	2554	1287 2306
SB 118	390	417	675	679	758	1136		1258 1690		456 1030 1137
SB 119	390	417	675	679	758	1137	1193		1137	456 1030
SB 124	1017	1030	2108	2108	2268	2554	2567		2554	1487 2306
SB 125	698	703	1233	1233	1265	2336		2173	2336	914 1710 2627
SB 133	1000	1016	2260	2264	2335	2640	2790	2264	2641	1487 2464
SB 134	419	426	1179	1192	1265	2470	2544		2470	914 1571
SB 135	515	523	1038	1045	1129	1479	1924	1045	1479	778 1263
SB 136	1000	1016	2252	2253	2335	2630			2630 2633	1487 2464 2632
SB 139	1476	1572								2040
SB 140	609	623	1127	1129	1192	2657		770 1140 1377 1567 1568 1569 2018 2168 2178 2541 2666		998 1431 2658
SB 141	1192	1263	1711	1829	1921	2478	2790	1832	2478	1365 2019
SB 142	510	514	704	705	903	1132 1353	1605	1140	1354	630 1016 1132 1142
SB 143	425	460	741	751	903	1054	1605	752	1055	523 1016
SB 146	407	416	704	704	903	1023	1193	705	1024	456 998
SB 147	390	417	914	919	998	1055	1193		1055	621 1016
SB 148	1031	1096	2252	2254	2335	2630	2790	2255	2630	1382 2464
SB 150	502	514								
SB 151	1476	1572	2378	2378	2464					1674
SB 152	1017	1030	2051	2058	2268	2567	2790	2058 2527 2536	2567	2009 2464
SB 153	1017	1030	2040	2042	2268			1691		1287

	Senate Message	Re-ferred	Re-ported	Readings			En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd				
SB 156	425	460 549								546 621 649 914 1028
SB 157	502	514	1674	1675	1921					1153 2473
SB 163	1130	1153	1597	1597	1677	2548	2790	1570 2291 2295 2299 2422	2549	1382 2191
SB 166	609	623	1674	1676	1921	2552	2567	2164	2552	704 2191
SB 170	607	623	1109	1120	1192	1363	1924	1122 1377	1364	914 1263
SB 172	536	549	1100	1108	1192	1479	1924	1109	1479	1014 1263
SB 173	1921	2020								
SB 174	1130	1153	2399	2408	2464			2409 2411 2603 2604		1382 2473 2566
SB 177	698	704								1096
SB 181	1017	1030	2307	2307	2464	2572	2668		2572	2040 2464
SB 186	2021	2040								
SB 187	2277	2306	2345	2345	2464	2570	2628	2347	2570	2306 2337 2473
SB 191	698	703	1109	1119	1192	2470	2544		2470	1028 1571
SB 192	1476	1572								1710
SB 193	1265	1287	2120	2120	2268			2125 2173 2174 2294 2597 2598		1432 2559
SB 195	1921	2020	2399	2402	2464	2652	2669	2404	2652	2559
SB 196	1000	1016								1142
SB 200	1351	1431	2252	2255	2335			2411		1630 2559
SB 201	1130	1153	1597	1604	1677	2547	2567		2547	1382 2009
SB 204	1017	1030								
SB 205	1017	1030	1344	1347	1476	2471 2650	2830	1378 2454 2459 2535	2650	1142 1672 2471 2550
SB 206	698	703	2142	2142	2268	2562	2628 2916	2143 2295 2543	2563 2898	1382 2306 2897
SB 208	1351	1431								
SB 210	1192	1263 1487	1974	1974	2020	2472		2018 2168 2296		1382 1487 1630 2191 2473

	Senate Message	Re-ferred	Re-ported		Readings		En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd				
SB 213	1265	1287	2151	2151	2268	2638	2669		2638	1487 2306
SB 214	1351	1431	2120	2125	2268	2572	2668		2572	1487 2464
SB 215	1017	1030	2323	2324	2464	2571	2628		2571	2277 2464
SB 216	1017	1030	1436	1445	1605	2545	2567		2545	1284 1672
SB 217	1031	1096								1264
SB 222	1031	1096								1264
SB 225	1000	1016	2622	2622	2628			2625		1382
SB 227	1351	1431	2191	2192	2335	2568	2628		2568	1487 2464
SB 229	1031	1096	2323	2325	2464	2571	2628		2571	2277 2464
SB 231	1481	1572	2309	2310	2464			2536		1674
SB 233	1017	1030	1847	1913	1921	2637	2669	2450 2453	2637	1142 2191
SB 235	1192	1263	2482	2482	2544			2602 2665		1382 2627
SB 236	1921	2020	2348	2353	2464	2643		2372 2373 2576 2578 2610 2611 2613 2660 2664 2665 2783 2784 2902 2905	2643 2786	2337 2473 2659
SB 237	1265	1287	2142	2143	2268	2477	2567		2477	1918 2021 2306
SB 239	1481	1572	2309	2309	2464	2631	2668	2536	2631	1674 2464
SB 242	2035	2191	2485	2485	2544	2653	2669		2653	2469 2559
SB 243	1265	1287	2051	2059	2268			1696 2014 2618 2619 2665		1630 2159 2473
SB 245	1921	2020	2051	2059	2268	2555	2824	2065 2419 2420	2555	2035 2040 2306
SB 246	1031	1096	2252	2256	2335	2641		2527 2530 2575	2641	1487 2464 2471
SB 247	1130	1153	1644	1661	1677	2549	2830	2543	2549 2811	1382 2009
SB 249	1000	1016	1711	1813	1921	2645	2790	1821 2526	2645	1284 2473
SB 251	1481	1572	2334	2334	2464	2645		2334 2575	2646	1710 2473

	Senate Message	Re-ferred	Re-ported	Readings			En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd				
SB 253	1031	1096	2040	2040	2268	2555			2555	1287 2306
SB 255	1923	2020								2306
SB 257	1611	1674	2141	2141	2268	2556	2865	2142 2296	2556	1710 2306
SB 258	1017	1030	2108	2119	2268	2556	2790	2120	2629	1487 2306 2556 2629
SB 260	1130	1153	2151	2153	2268	2557	2628		2558	1382 2306
SB 263	1017	1030	1674	1676	1921	2469	2544		2469	1432 2191
SB 265	1361	1431	2479	2479	2544	2653	2790	2481 2578	2653	1630 2559
SB 266	1351	1431	2151	2154	2268	2475	2824	2450	2475	1487 2306
SB 267	1351	1431	2070	2080	2268	2638	2830	2017 2089 2298 2303 2453	2638	1487 2306
SB 268	1351	1431	1841	1845	1921	2552	2830	2017	2553 2811	1487 2191
SB 270	1476	1572	2142	2145	2268	2558	2628	2542	2558	2009 2306
SB 271	1000	1016								
SB 275	1031	1096	2409	2410	2464	2631	2668		2631	1382 2559
SB 277	1265	1287	2099	2099	2268	2558	2790	2102 2448 2526	2559	1630 2306
SB 278	1921	2020	2315	2315	2464	2650	2669	2580	2650	2040 2464 2547
SB 279	1921	2020								2306
SB 280	1130	1153	1644	1663	1677	2635	2824	1664 2535	2635	1382 2009
SB 282	1611	1918								2040 2269
SB 283	1921	2020								
SB 284	1351	1431	2323	2325	2464	2568	2628		2568	1630 2464
SB 285	1351	1431	2040	2041	2268					
SB 287	1351	1431	2108	2109	2268	2639	2790	2420	2639	1630 2306
SB 288	1611	1674	2191	2192	2335	2641	2669		2641	1710 2464
SB 290	1481	1572	2323	2329	2464					1710 2473
SB 291	1476	1572	2314	2314	2464	2653	2669		2653	1674 2563
SB 292	1351	1431	2323	2329	2464	2568	2824	2330	2568	1710 2464
SB 293	1351	1431	2052	2065	2268	2569	2628		2569	1630 2306
SB 295	1476	1572	2314	2315	2464	2631	2668	2606	2631	1674
SB 296	1476	1572	2321	2321	2464	2655		2422 2598		2040 2627

	Senate Message	Re- ferred	Re- ported	Readings			En- rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd				
								2600		2656
								2611		
SB 297	2035	2191	2485	2487	2544	2649	2824	2488	2650	2306 2337 2627
SB 298	1476	1572	2252	2256	2335	2632	2668	2600 2602	2632	2009 2464
SB 299	1476	1572	2409	2410	2464	2654	2669	2659 2660 2664	2654	2473 2563
SB 300	1351	1431	2052	2070	2268	2561	2628		2561	1630 2306
SB 302	1481	1572	2142	2147	2268	2561	2628		2561	1674 2306
SB 304	1361	1431								
SB 305	1476	1572	2099	2106	2268	2562	2790	2107	2562	1710 2306
SB 308	1351	1431	2315	2315	2464	2654	2669		2654	1630 2464 2563
SB 309	1476	1572	2191	2193	2335	2642	2669	2297	2642	1630 2464
SB 311	1924	2020	2314	2315	2464	2633	2668		2633	2040 2464
SB 315	1921	2020	2323	2323	2464	2569		2297 2526 2615 2621 2874 2875 2894 2905 2907		2040 2277 2464 2570 2656
SB 321	1481	1572	2040	2042	2268	2468	2544	2411	2469	2009 2306
SB 323	1921	2020	2332	2332	2464	2636	2669	2619	2636	2277 2559 2573
SB 326	1361	1431	2191	2247	2335	2573		2249	2573	1710 2464
SB 327	1476	1572	2315	2316	2464	2632	2668		2632	2019 2464
SB 329	2035	2191	2525	2525	2544	2633	2668		2634	2469 2474 2559
SB 330	2277	2306								
SB 332	1481	1572	2252	2257	2335	2644		2295 2420 2527 2537	2644	2035 2040 2345 2464
SB 333	1481	1572	2070	2070	2268	2561	2790	2075 2298	2561	1710 2306
SB 334	2035	2191								
SB 338	1924	2020	2378	2378	2464	2646			2646	2040 2473
SB 339	1361	1431	2108	2110	2268	2564	2824	2119	2564	1710 2306
SB 340	1481	1487	2120	2129	2268	2563	2628		2563	1605 2306

	Senate Message	Re-ferred	Re-ported	Readings			En-rolled	Sub.or Amend	Voting	Other Action
				1st	2nd	3rd				
SB 341	1611	1674	2399	2404	2464	2656	2669	2536 2537 2542 2574 2579 2591 2607 2621	2657	2559
SB 342	1476	1572	2559	2559	2628					1674
SB 347	1924	2020	2378	2381	2464	2646	2669		2646	2040 2473
SB 348	1924	2020	2374	2374	2464	2647	2669		2647	2277 2473
SB 349	1476	1572	2315	2316	2464	2633	2668		2633	2019 2464
SB 353	1476	1572	2315	2317	2464	2634	2668		2634	2019 2464
SB 357	1481	1572	2142	2148	2268	2812	2865	2542 2812	2812	2009 2306
SB 361	2035	2191								
SB 362	1351	1431	2191	2249	2335	2642		2527 2538 2540 2604 2608	2643	1710 2464
SB 363	1923	2020	2485	2485	2544	2652	2669		2652	2277 2306 2559
SB 364	1689	1918	2323	2330	2464	2571	2790	2331 2525	2571	2009 2464
SB 365	1265	1287	1835	1836	1921	2552		1838 2169 2576 2610	2649	1487 2191 2553 2648
SB 366	1921	2020	2386	2386	2464	2647	2830	2393	2647 2811	2277 2473
SB 368	1921	2020	2323	2331	2464	2644	2669	2619	2644	2277 2464
SB 371	2021	2040	2382	2382	2464	2648	2669		2648	2277 2306 2473
SB 376	2021	2040	2485	2489	2544	2636	2830	2524 2525 2602 2603	2636	2277 2559
SB 378	1921	2020								2337
SB 381	1476	1572	2258	2258	2335	2651	2830	2260 2422 2448	2651	2035 2040 2464
SB 383	1923	2020	2307	2307	2464	2651	2669	2307 2459	2651	2191 2464
SB 385	2343	2464								
SB 386	1351	1431								1630
SB 389	1476	1572	2333	2333	2464	2634	2824	2333 2334	2634	2009 2464 2635
SB 390	1921	2020	2315	2317	2464	2654		2605 2606	2655	2040 2464 2564

HISTORY OF SENATE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated SJR; concurrent resolutions are designated SCR.)

*Voting modifications appear at the member's name in the subject index.

		Senate Message	Re-ferred	Re-ported		Readings		Adopted	En-rolled	Voting	Other Action
					1st	2nd	3rd				
SJR	2	73	78	448	451	480	610	610	642	610	524
SJR	8	84	89	370	372	406	609	609	642	609	138 515
SCR	9	213	257								359 2037
SJR	11	277	282								
SCR	18	643	654	1841	1845	1921	2637	2637	2669	2637	1382 2191 2540 2541 2562
SCR	23	1000	1016	1979	2008	2020	2637	2638	2669	2637	1059 2121 2541 2562
SJR	33	1361	1431	2151	2158	2268	2814	2814	2830	2814	1487 2627
SCR	42	1265	1287								1630
SCR	43	655	704	1344	1346	1476	2472	2472	2544	2472	1059 1571
SCR	44	1031	1096	2307	2307	2464					2040 2464 2616
SJR	48	1481	1572	2151	2158	2268					1710 2627
SCR	49	1192	1263								
SJR	51	1476	1572								2190
SCR	53	1481	1572								
SCR	54	1192	1263	2308	2309	2464	2635	2635	2668	2635	2306 2337 2473 2617 2620
SJR	58	1476	1572								2190
SCR	84	2921						2921			

Subject Index

ABSENT VOTING
Application for ballot—HB 140
Ballot application by mail—HB 379
Disabled voters, manner of voting—HB 348
Procedure and challenge—HB 394

ACCOUNTANTS
Certified public accountants, experience requirement deletion—HB 654

ADAMS, BUDDY H.
HR 34, 41, 74, 77, 85, 92, 133; HB 12, 13, 70, 71, 147, 179, 258, 310, 346, 354, 363, 418, 458, 525, 604, 605, 606, 613, 717, 724, 734, 735, 743, 818, 838, 908
Voting modifications—SB 91Y, p. 629

ADMINISTRATIVE REGULATIONS AND PROCEEDINGS
Administrative regulation review—HB 12
Hearings relating to mining, location of—HB 347
Medical information release authorization—HB 893
Review
  authority—HB 65
  by standing or interim committee—HB 123
  entered over objection—pp. 138-144
  procedure—HB 460
Trapping regulations, review requested—HR 117
Waste disposal regulations, repeal restrictions on—SB 268

ADVERTISING
Alcoholic beverages—HB 531
Billboards, removal by local governments—HB 955
Legal notice, publication of—HB 865
Real estate brokers, advertising by—HB 613

AERONAUTICS
Airports, omnibus revision—HB 821
Air service program establishment—HB 582

AGED PERSONS
Automobile insurance, refusal to write or renew—HB 104
Crimes against—HB 475
Define electricity rates—HB 745
Dentures, medical assistance notification regarding—HB 214, 215
Denturists, licensure—HB 541
Discrimination based on age—SB 79
Energy cost assistance appropriation—HB 180
Home repair, Kentucky Housing Corporation—HB 62
Hunting and fishing licenses, free to aged—HB 254
Income tax credit for renters—HB 943
Income tax exemption—HB 871
Medicare supplement insurance, regulations—HB 179
Print handicapped, radio broadcasts to—SB 173
Public transportation, reduced fares—HB 299
Senior citizen discount program—SB 39; HB 91
Utility gross receipts license tax for schools, senior citizens exemption—HB 195

AGRICULTURE
Alien land ownership registration—HB 105
Blackbirds, action against by state—HR 73
Corporation exempt from license tax—HB 199
Corporation farming, limitation on—HB 473
Creameries, omnibus revision—HB 967
Earthworms, commercial marketing of—HB 662

AGRICULTURE (Cont'd)
Egg promotion—SB 80
Farm equipment on highways, permit for—HB 525
Farm machinery inventories, exempt from the property tax—HB 197
Farm trucks, registration of and exemptions for—HB 382
Garbage fed swine, poultry, or other animals prohibited—SB 76; HB 327
Gasohol, production in Kentucky—HB 838, 962; HR 29
Ginseng, study of—HR 128
Governor's Council on Agriculture, omnibus revision—HB 729
Historic farmland—HB 119
Inheritance tax
  agricultural value of real estate—SB 133; HB 391
  land assessment for inheritance tax—HB 283
Junkyards, farm equipment exempt as vehicles—HB 346
Landlord and Tenant Act, dwellings, exemption—HB 398
Livestock
  dealer, "clock-off" on bovine animals—HB 901
  dealers, licensure—HB 380
  sales, implied warranty exemption—SB 29
Milk houses and parlors, plumbing code exemption—HB 964
Milk marketing practices—HB 368
Noxious weeds, eradication—SB 7
Nuisance suits against agricultural operations, limitation on—HB 909
Pesticide applicators, exempt from financial responsibility—HB 954
Red Poll cattle shows and sales—HB 568
Registration plates for farm trucks—HB 530
Soil conservation districts, funds for—HB 730
Tobacco seed, certification—HB 472

ALCOHOLIC BEVERAGES
Ad valorem taxes and license fees—HB 840
Advertising—HB 531
Beverage container redemption—HB 809
Brewers, affirmation of corporate pricing policy—HB 801
Dance contests on licensed premises—SB 43
Distance between licensed premises, counties with 1st—HB 720
Drunk in public place, repeal prohibition—HB 373
License fee increases—HB 972
Local option
  elections—HB 555
  election for package sale in fourth class cities—HB 759
  on particular licenses—HB 619
Malt beverages wholesale price discrimination prohibition—HB 431
Private clubs
  discriminatory, licensure prohibition—HB 166
  in dry territories, licensure—HB 789
Sunday sales of alcoholic beverages—SB 187; HB 586

ALCOHOLISM
Drunk in public place, repeal prohibition—HB 373
Insurance, group health policies—SB 357; HB 951
Treatment and rehabilitation—SB 214; HB 755

ALLEN, WILLARD "WOODY"
HR 50, 64, 77; HB 43, 64, 108, 187, 261, 265, 344, 387, 440, 452, 455, 460, 473, 474, 492, 615, 776, 838, 857

AMUSEMENTS
Golden Knights Junior Drum and Bugle Corps—HB 453
Motion picture distribution practices—SB 90; HB 240
Prohibit pay toilets in places of—HB 731

ANNEXATION
Cities of 3rd, unincorporated territory in adjoining county—HB 305
Contiguous cities, boundary precincts of—HB 248
Notice concerning—HB 330
Referendum—HB 25
Uniform procedure—HB 20, 25, 67, 247
Utility service in annexed area—SB 279; HB 734

APPROPRIATIONS
Archaeology, creating office of state—HB 275
Arts center funds, use for highways—HB 522
Arts, Kentucky Center for, prohibit funds use—HB 522
Beaver bounties—HB 625
Bird roosts, decontamination for histoplasmosis—HB 600
Blue Licks State Park, bicentennial program—HJR 21
Board of Ethics—HB 292
Budget
  executive biennial—HB 931
  urge balance of—HR 50
Circuit judgeship
  27th circuit—HB 68
  41st circuit—HB 260
Civil rights act, enforcement of provisions relating to housing discrimination—SB 79
Claims against the state, former appropriations lapsed—SB 339
Community education programs—SB 93
Court of justice budget appropriation—HB 693
Courthouse rental payments—HB 507
Credit unions, prohibit use of general fund to pay expenses—HB 839
District court trial commissioners' salary limit—HB 505
District judge, additional—SB 141; HB 69, 72, 250, 409, 486, 489
Dual prosecution study—HJR 121
Earthworms, commerical marketing of—HB 662
Easter Seal Society, camp operations—HB 242
Egg marketing—SB 80
Emergency medical services grants—SB 66
Energy
  cost assistance appropriation—HB 180
  road fund and coal producing county development fund—HB 774
Firefighters foundation program fund—HB 793
Foundation Program per-pupil cost study—HR 3
Great River Road Division of Governor's Office—HB 846
Jails
  renovation of—HB 939
  state operation of—SB 278; HB 758, 953
Jefferson Community College Southwest, completion of—HB 510
Judicial compensation—SB 102
Judicial retirement benefits—HB 573
Juvenile code study—SJR 55
Landmarks preservation—HB 188
Legislative Research Commission
  biennial—HB 857
  session expenses—HJR 27
Local government economic assistance fund—HB 970

APPROPRIATIONS (Cont'd)
Mass transit programs for handicapped—HB 781
Medical residencies, funding for—HB 139
Motor vehicles, certificate of title—HB 99
Nuclear waste sites, appropriations policy—SB 47; HB 98
Print handicapped, broadcast grants—SB 173
Professional Education Preparation Programs, establishing office of—HB 137
Senior citizens' discount program—HB 91
Severance tax receipts for energy road fund—HB 882
Sick leave credit to retirees—HB 728
Signs on highways—HB 760
Solar Energy Coordinating Council—HB 54
State Tax Revenue Sharing Fund—HB 908
Tourism department, Appalachia tourism development fund—HB 756
Transit authorities, state subsidies and grant sharing—HB 299
University of Louisville, medical care—HB 618
Viet Nam veterans' bonus—HB 74
Water Resources Advisory Commission—HB 296

ARCHITECTS
Construction standards to provide for additions—HB 309
Licensure—HB 344, 414

ARCHIVES AND RECORDS
Commission, state—HB 877
Library and Archives State Board—HB 302
Theft of archival matter—HB 866

AREA DEVELOPMENT DISTRICTS
Area development fund—SB 390

ARNOLD, ADRIAN
HR 21, 41, 77, 91; HB 111, 117, 119, 146, 187, 245, 308, 309, 553, 562, 563, 564, 565, 605, 662, 717, 804, 838, 857, 901, 909, 954

ARTS AND CRAFTS
Arts
  Kentucky Center for, prohibit funds use—HB 522
  Kentucky Center for the Arts Corporation—HB 858

ASSOCIATIONS
Blood banks, procedures concerning—HB 709
Housing associations, reserves exempt from corporate income tax—HB 173
Kentucky Voluntary Effort Health Care Cost Containment—SCR 23

ATHLETICS
1980 United States Olympic Hockey Team—HR 77
Boxing and wrestling
  amateur—HB 15
  promotion license—HB 594
Campbellsville College Lady Tigers Basketball Team—HR 93
EKU football commendation—HR 31
Franklin County High School Basketball—HR 148
Kyle Macy, Jay Shidler, and La Von Williams, honor—HR 90
Murray State and Western Kentucky Universities, OVC Champions—HR 85
Murray State University football team, honoring—HR 36
Olympics boycott support—HR 49
Owensboro High School Basketball—HR 143
"Phil Simms-Gary Shirk Day"—HR 61
UK Basketball team, honoring—HR 75
University of Louisville Basketball Cardinals—HR 76, 130

ATTORNEY, COMMONWEALTH
Attorney General to prosecute cases involving state money or property—SB 119
Detectives, statewide powers—HB 396
Dual prosecution study—HJR 121
Grand jury proceedings, conduct and recording of—HB 935
Judicial retirement system membership—HB 900
Lawrence and Martin Counties, appointment of—HB 527
Part-time offices, elimination—HB 124
Police radio possession—HB 50

ATTORNEY, COUNTY
Duties of commonwealth's attorney, assumption of—HB 124
Juvenile session, prosecution of juvenile court proceedings—HB 911
Police radio possession—HB 50

ATTORNEY GENERAL
Cases involving state money or property—SB 119
County officials' audits, investigation of—HB 269
Earthworm sales, registration required—HB 662
Lobbyists, investigation of—HB 685
Governmental crimes, prosecution of—HB 325
Gubernatorial disability determination—HB 145
Liability for acts, insurance and defense—SB 290

ATTORNEYS
Appeals, untimely, prohibit dismissal—HB 175
Bar association, voluntary membership in—HB 227
Disciplinary matters, procedure for—HB 253
Fees, payment of to enforce lien—HB 449
Indigent persons' attorneys—HB 590
Offending attorney, fining of—HCR 46
Practice without license, estate settlement exempt—HB 667
Public advocacy—HB 61
Public defender, establishment in judicial district with 3 circuit judges—HB 784

AUCTIONEERS
License examination, written or oral—HB 737
Liens against property for services rendered—HB 867

AUDITS AND AUDITORS
Cities, requirements for—SB 18
County officials' audits, investigation of—HB 269
School district procurement activities—HB 405
State agencies, request of audits by—HB 516
State auditors, requirements for staff—HB 515
Witnesses, fine for failure to appear—HB 580

BAIL
Bail bond
  fees, surety qualifications—HB 506
  value of real estate securing—HB 19

BANKS AND FINANCIAL INSTITUTIONS
Banks and trust companies
  disclosure of examination findings—HB 657
  minimum capital stock increment—SB 10
Banks
  authority to hold title to real estate—HB 694
  authority to invest in Kentucky municipal securities—HB 694
Commissioner of banking
  appointment of—HB 765
  authority to prescribe special rulings—HB 694

BANKS AND FINANCIAL INSTITUTIONS (Cont'd)
Consumer loan and credit transaction refinancing—HB 451
Conversion, action by commissioner—HB 656
County treasurer, bank officers ineligible—HB 320
Credit unions
  authority of—HB 554
  disclosure of examination findings—HB 664
  interest rates on loans—SB 191
  prohibit use of general fund to pay expenses—HB 839
  regulation of—HB 802
  sale of negotiable instruments—HB 554
Department of Banking and Securities, investigation of securities violation—HB 691
Depositors' records, delivery in response to subpoena—HB 571
Industrial loans
  companies, disclosure of examination findings—HB 643
  corporations, amount of loans and interest rates—HB 894
Interest
  income tax exemption—HB 411
  on loans of $15,000 or less—HB 159, 268
  rate limit removal—SB 75
Loan to the Republic of South Africa, urge discontinuance—HR 58
Petty loan companies
  amount of loans—HB 818
  disclosure of examination findings—HB 658
Savings and loans associations, home improvement and mobile home loans—HB 498
School boards, depositories designated—HB 450
Securities
  registration—HB 733
  regulation, nationally centralized filing—HB 762
Small claims actions by banks—HB 570
State depositories, bond in lieu of collateral—HB 707
State funds, electronic funds transfers—HB 310

BARBERS AND COSMETOLOGISTS
Apprentices for barbers, number of—HB 608
Barber schools, students per teacher—HB 803
Barbers, license requirements—HB 332
Cosmetologists board, membership—HB 936
License fees for hairdressers and cosmotologists—HB 738

BARROWS, JOE
HR 9, 37, 41, 77, 135, 151, 153; HB 296, 354, 395, 409, 459, 481, 482, 489, 508, 628, 672, 715, 813, 814, 895, 896, 930, 972
Voting modifications—HB 574Y, p. 1916; SB 102N, p. 2478; SB 268N, p. 2831

BENDL, GERTA
HR 22, 41, 43, 71, 77, 109, 116; HB 33, 34, 35, 45, 53, 65, 86, 87, 127, 190, 191, 192, 242, 274, 299, 348, 354, 402, 412, 450, 510, 556, 592, 610, 618, 717, 778, 779, 780, 781, 782, 785, 858, 863, 906, 908, 956, 974
Voting modifications—HB 858Y, p. 2831

BENNETT, AL
HR 41, 43, 45, 77, 127, 128, 130, 139, 144; HB 32, 74, 90, 125, 134, 135, 265, 299, 334, 335, 341, 348, 349, 374, 412, 447, 492, 509, 510, 541, 549, 554, 557, 618, 620, 621, 630, 651, 717, 744, 767, 785, 800, 831, 856, 857, 898, 949, 950, 972

BLAIR, W. D. "DOC"
HR 50, 61, 64, 138, 144; HB 187, 265, 354, 378, 388, 423, 445, 447, 455, 474, 489, 767
Voting modifications – HB 45Y, p. 1025; HB 51Y, p. 278; HB 83Y, p. 278; HB 88Y, p. 337; HB 94Y, p. 278; HB 95Y, p. 278; HB 104Y, p. 278; HB 122Y, p. 278; HB 150Y, p. 278; HB 295Y, p. 1025; HB 448Y, p. 1025; HB 515N, p. 1025; HR 40Y, p. 1025

BLANDFORD, DONALD J.
HR 14, 77, 94, 99, 104, 143, 144; HB 123, 186, 258, 393, 510, 538, 600, 651, 717, 729, 730, 908, 909, 967

BLIND OR DEAF PERSONS
Bureau for the blind, organization of – HB 920
Exceptional children programs – SB 341
Print handicapped, radio broadcasts to – SB 173
Rehabilitation acts, state's compliance with – SB 275
Visually impaired, definition of – SB 196; HB 655

BLYTHE, E. BRUCE
HR 41, 44, 50, 77, 99, 113, 142; HB 102, 190, 192, 265, 336, 348, 354, 383, 495, 510, 526, 527, 542, 618, 651, 717, 724, 807, 811, 812, 818, 832, 858, 859, 874, 894, 900, 908, 955, 972
Voting modifications – HB 134Y, p. 171; HB 236Y, p. 2795; HB 316Y, p. 627

BOATS AND BOATING
Identification number alteration – HB 589
Liens, hearing process – HB 959
Navigation on Kentucky River – HR 153
Recreational boating, weekend restrictions – HR 113
Taylorsville Lake Project – HR 157

BONDS OF SURETY
Bail bond fees, surety qualifications – HB 506
Committee, not required for relatives of incompetent – HB 229
Pretrial release, restrictions on – HB 43
State depositories, bond in lieu of collateral – HB 707

BONDS, PUBLIC
Cities, electric plant bonds – HB 430
Housing, county bond issues for – HB 817
Industrial revenue bond issues – HB 462
Loan fund, Kentucky Housing Corporation – HB 888
Revenue bonds, General Assembly approval – HB 147
Review, legislative subcommittee for – HB 680
Student loans, provision of bonds for – SB 201
Tax increment financing for urban redevelopment – HB 912
Urban counties, borrowing of funds – HB 904; SB 253

BOSWELL, DAVID E.
HR 14, 19, 41, 43, 77, 83, 94, 99, 141, 144; HB 105, 123, 125, 130, 131, 132, 187, 300, 350, 364, 382, 388, 393, 419, 459, 491, 510, 538, 569, 651, 730, 837, 838, 909, 936, 940, 941
Voting modifications – HB 25Y, p. 2831; HB 585Y, p. 2160; HB 818N, p. 2160

BRINKLEY, WILLIAM T.
HR 19, 23, 30, 41, 53, 62, 64, 77; HB 21, 73, 75, 116, 123, 127, 141, 187, 328, 349, 385, 393, 433, 458, 489, 566, 624, 717, 828, 838, 852, 853, 855, 857, 891
Voting modifications – SB 72Y, p. 2831

BRONGER, JERRY
HR 14, 23, 41, 43, 47, 66, 68, 77, 94, 130, 131, 140, 144; HB 4, 15, 20, 32, 58, 109, 186, 187, 211, 315, 317, 348, 349, 354, 393, 440, 501, 510, 538, 549, 593, 618, 651, 717, 767, 785, 860, 874, 875, 903, 908, 967

BROWN, RAY O.
HR 41, 77; HB 140, 187, 219, 241, 265, 341, 347, 349, 378, 388, 408, 423, 440, 447, 489, 624, 717
Voting modifications – HB 278Y, p. 410; HB 306Y, p. 1140; HB 663Y, p. 1140

BRUCE, JAMES E.
HR 23, 25, 30, 41, 53, 64, 77, 85, 125; HB 21, 74, 187, 283, 346, 382, 383, 489, 525, 717, 816, 838, 857

BUDGET AND FINANCIAL ADMINISTRATION
Accounting principles, use of – HB 70
Budget, urge balance of – HR 50
Capital construction
  bids, single and separate – HB 887
  projects, approval and transfers of capital – HB 514
Cities, requirements for – SB 16
Contracts for public information services – HB 336
County budget commission, elimination of – HB 135
Deferred compensation system, investments – HB 604
Electronic funds transfer – HB 310
Federal funds, legislative approval and appropriation process – HB 410
Fish and game fund, investment interest to – HB 576
Grant anticipation notes financing – SB 292
Investment and Debt Management Office – HB 71
Leases of real property – HB 957
Local government economic assistance program and fund – HB 970
Mileage allowance for private vehicles – HB 503
Procurement code revisions – SB 163; HB 458
Property assessment certification to taxing districts – HB 146
Purchasing, small and minority businesses – HB 443
Retirement system contributions – HB 885
Revenue bonds, General Assembly approval – HB 147
Severance tax monies, appropriation – HB 774
Special district budgets – SB 62
State procurement, small purchase limits – HB 811
State property, disposal of – HB 355
Telephone cooperatives, telephone service defined – HB 490
Urban counties, borrowing of funds SB 253; HB 904

BURCH, THOMAS J.
HR 14, 41, 77, 102, 103, 130; HB 32, 109, 127, 141, 157, 158, 186, 187, 213, 214, 215, 219, 247, 248, 266, 274, 299, 340, 341, 348, 392, 393, 466, 487, 510, 512, 513, 541, 618, 717, 738, 785, 875, 908, 938, 942

BURNETTE, WARD
HR 7, 29, 36, 38, 41, 49, 60, 76, 78, 90, 94; HB 32, 125, 130, 187, 195, 196, 197, 198, 199, 200, 210, 219, 224, 225, 226, 326, 327, 374, 382, 393, 460, 532, 625, 651, 742, 776, 790, 792, 838, 846, 903, 909, 929
Voting modifications – HB 346Y, p. 419

CALDWELL, BARRY
HR 41, 50, 77, 144; HB 4, 20, 91, 109, 187, 222, 223, 247, 248, 265, 323, 332, 383, 414, 480, 498, 591, 662, 793, 868, 883, 884, 908, 914, 915, 947
Voting modifications – HB 214Y, p. 360

CAMPAIGN PRACTICES
Campaign committee reports – HB 313
Contributor's limitation – HB 435
Finance practices; omnibus revision – SB 366; HB 800
Publication of false statements – HB 178

CAPITAL CONSTRUCTION
Arts, Kentucky Center for, prohibit funds use – HB 522
Bids, single and separate – HB 887
Capital construction fund, audit of – HJR 89
Financing, by grant anticipation notes – SB 292
Projects
  approval and transfers of capital – HB 514
  under $75,000, employment by state agencies – HB 456
School foundation program units for capital outlay – HB 910

CAWOOD, STEPHEN C.
HR 8, 9, 24, 37, 41, 77, 87, 108, 126, 153; HB 91, 137, 177, 219, 235, 267, 284, 296, 321, 328, 338, 339, 347, 349, 354, 468, 480, 481, 482, 489, 508, 543, 566, 596, 690, 715, 717, 719, 752, 753, 754, 830, 852, 853, 863, 891, 919, 937, 944

CHAMBERS OF COMMERCE
City or county funds, use of – HB 480

CHARITABLE INSTITUTIONS
Cities of 3rd, public funds to private charities – HB 517
Easter Seal Society, camp operations appropriation – HB 242
Gifts deemed charitable – SB 166

CHILDREN AND MINORS
Adoption records, access on consent of natural parent – HB 404
Age for school entrance – SB 140; HB 40
Centers for child learning and study, establishment of – HB 723
Change of name, guidelines – HB 454
Child care food program, urge support for – SCR 43
Court proceedings, prosecution by county attorney – HB 911
Custody
  joint award – HB 356
  jurisdiction, uniform act – SB 42; HB 92
Divorce
  actions, waiting period for testimony, child's involvement – HB 42
  custody proceedings – HB 814
Employment of minors – HB 923
Exceptional children programs – SB 341
Foreign born child, birth certificate – HB 78
Grandparental visitation rights – HB 578
Gifted and talented, foundation program units – HB 552
Handicapped, camps appropriations – HB 242
High school graduation, courses required – HB 230
Illegitimate, inheritance by and from – SB 251
Immunizations, parental objection to – HB 293
Insurance, hospital nursery care for newborn – SB 46
Juvenile
  study – SJR 55; SB 309
  convicted of felonies, sentencing of – HB 726
  session of district court, jurisdiction of – SB 59

CHILDREN AND MINORS (Cont'd)
Legal fees for defense of children, parents liable for – HB 424
Marijuana sales to minors, penalties – HB 224
Matter harmful for, sale and display – HB 577
Protective orders for; abused spouse may seek – HB 87
Rubella and rubeola testing requirement – HB 127
Save the Children Day, official designation of – HR 72
School prayer, silent, time requirement – HB 187
Student cultural enrichment fees – HB 51

CITATIONS, LEGISLATIVE
Allen County H.S. girls' basketball LC 21, p. 278
Arnold, Barney LC 44, p. 768
Bardstown Bicentennial – LC 86, p. 2344
Bell County H.S. basketball – LC 87, p. 2478
Bellevue H.S. football – LC 89, p. 2545
Betsy Layne H.S. basketball – LC 79, p. 2162
Bourbon County H.S. basketball – LC 65, p. 1689
Bowling Green-Warren County Chamber of Commerce – LC 109, p. 2819
Branch, Tony – LC 53, p. 1141
Brizendine, Renee – LC 35, p. 581
Brogli, Julia – LC 9, p. 80
Brugh, Walter – LC 92, p. 2814
Bullitt Central H.S. debating – LC 67, p. 1915
Bullitt Central H.S. speech team – LC 110, p. 2822
Business schools and Draughon Business College – LC 104, p. 2818; LC 120, p. 2920
Butler H.S. girls' basketball – LC 76, p. 2160
Calvert, Kim – LC 12, p. 84
Chaffins, Rev. Mitchell, in memory of – LC 22, p. 278
Chumbez, Marianella – LC 59, p. 1381
Clinkenbeard, Janelle – LC 112, p. 2859
Corum, Grover – LC 114, p. 2919
Crum, Denny – LC 52, p. 1141
Crume, Chuck – LC 23, p. 295
Cunigan, Debbie – LC 16, p. 171
Dairy farmers – LC 5, p. 73
Davis, Dr. Wm. Ellsworth – LC 6, p. 80
DeMarcus, Wm. Harold – LC 1, p. 36
Doss H.S. basketball – LC 97, p. 2815
Duke, Bill/Cottrell, Ken – LC 93, p. 2815
Edmonds, Myra – LC 25, p. 348
Elliott County H.S. band – LC 31, p. 547
Enright, Bill/Laughlin, Ray – LC 56, p. 1380
Fleming County H.S. football – LC 17, p. 210
Frankfort H.S. band – LC 43, p. 768
Frankfort H.S. basketball – LC 47, p. 1025
Frankfort *State Journal* employes – LC 99, p. 2816
Franklin County H.S. basketball – LC 108, p. 2818
Franklin County H.S. cheerleading – LC 73, p. 2160
Franklin County H.S. girls' basketball – LC 72, p. 2159
Franklin Simpson H.S. football – LC 14, p. 85
Fryman, Jeffery – LC 107, p. 2818
Griffith, Darrell – LC 54, p. 1141
Hall, Joe B. – LC 39, p. 689
Harlan County H.S. football – LC 10, p. 80
Harrington, Elaine – LC 2, p. 44
Hazel Green Academy – LC 100, p. 2817
Heath H.S. girls' basketball – LC 88, p. 2479
Holdsworth, "Duke" – LC 46, p. 1003
Howe, Margie Shroeder – LC 19, p. 210
Hupp, Debby – LC 48, p. 1055
Hutchins, Mr. and Mrs. Olie – LC 28, p. 411
Jessamine County H.S. basketball – LC 62, p. 1381
Kauper, Mark E. – LC 119, p. 2919
Kentucky State Police – LC 4, p. 53
Klein, Dr. Max D. – LC 29, p. 455
Knott County Central H.S. basketball – LC 75, p. 2160

CITATIONS, LEGISLATIVE (Cont'd)
Knott County Central H.S. girls' basketball – LC 74, p. 2159
Kring, Mary Thomas – LC 55, p. 1255
Leahy, Tena – LC 71, p. 2159
Lewisburg H.S. cheerleading – LC 78, p. 2162
Lexington Rotary Club – LC 30, p. 483
Livesey, Bill – LC 49, p. 1140
Lone Oak H.S. band – LC 47, p. 614
Macy, Kyle – LC 42, p. 690
Magoffin County H.S. basketball – LC 101, p. 2817
Marion County H.S. girls' basketball – LC 98, p. 2816
Marsano, Edda – LC 57, p. 1381
Metropolitan Woman's Club – LC 36, p. 613
Midway College basketball – LC 61, p. 1381
Mr. Labor LC 3, p. 44
Montgomery, Margie – LC 111, p. 2824
Moore H.S. basketball – LC 102, p. 2817
Moore H.S. basketball supporters – LC 103, p. 2817
Niani, Laura – LC 60, p. 1380
North Bullitt County H.S. basketball – LC 68, p. 1950
Owensboro H.S. basketball – LC 96, p. 2815
Paintsville Tri-County Yankee baseball team – LC 27, p. 411
Paris H.S. girls' basketball – LC 66, p. 1690
Parker, Kathryn – LC 84, p. 2337
Pi Kappa Alpha fraternity, WKU – LC 45, p. 768
Pikeville H.S. girls' basketball – LC 69, p. 1916
Pioneer News/Bullitt County Star – LC 20, p. 253
Porter, Lt. Thomas – LC 116, p. 2919
Pulaski County H.S. girls' basketball – LC 64, p. 1547
Reed, W. L. – LC 34, p. 581
Reid, Sue Willie – LC 18, p. 203
Roberts, Diana, memorial to – LC 94, p. 2815
St. Athanasius girls' A team – LC 118, p. 2919
St. Athanasuis junior intermediate boys' team – LC 117, p. 2919
St. Barnabas School football – LC 7, p. 81
St. Martha School basketball – LC 95, p. 2815
St. Martha School football – LC 8, p. 81
Samuels, Alice – LC 90, p. 2670
Scott County H.S. basketball – LC 77, p. 2160
Shidler, Jay – LC 40, p. 689
Shuber, Mary – LC 13, p. 85
Simms, Phil/Shirk, Gary – LC 26, p. 410
Soaper, Richard Henderson, Jr. – LC 32, p. 547
Spoonamore, Lynn Anne – LC 15, p. 135
Stevens, Darrell and Boy Scout Troop 168 – LC 24, p. 319
Sullivan, Paul, memorial to – LC 91, p. 2670
Swann, B. C. – LC 50, p. 1140
Tacchini, Berta – LC 58, p. 1381
Triple "L" Club – LC 33, p. 575
U of K basketball – LC 38, p. 689
U of K girls' basketball – LC 83, p. 2337
U of K girls' volleyball – LC 82, p. 2337
U of L basketball – LC 51, p. 1141; LC 63, pp. 1476, 2275; LC 81, p. 2274
U of L girls' gymnastics – LC 80, p. 2273
U of L Government Law Center – LC 105, p. 2818
Viet Nam veterans – LC 106, p. 2818
Webster, Franklin, memorial to – LC 85, p. 2344
Whittaker, Jennifer Anne – LC 11, p. 84
Williams, James A. – LC 115, p. 2919
Williams, LaVon – LC 41, p. 690
WKU basketball – LC 70, p. 1916
Young, Ronald T., memorial to – LC 113, p. 2859

CITIES, CLASSIFICATION
Beaver Dam, 5th to 4th class – SB 311
Campbellsburg, 6th to 5th class – SB 291
Devondale – HB 918
Ferguson, 6th to 5th class – SB 295
Mt. Washington – HB 683
Procedures for – SB 21

CITIES, GENERALLY
Ambulance services, requirements for – SB 66
Ambulance service, special districts for – SB 45
Annexation
  contiguous cities, boundary precincts – HB 248
  local option status – SB 321
  notice of – HB 330
  of unincorporated territory – HB 305
  uniform procedure – HB 20, 25, 67, 247
Bid invitation by local governments – HB 740
Billboards removed by local governments – HB 955
Chambers of commerce, appropriations to HB 480
City manager form, write-in, voting HB 324
Classification and boundaries SB 21
Convict made products, allow purchase SB 368
County property assessment, cost for use increased – HB 905
Courthouse rental payments – HB 507
Dissolution of charter, referendum on – HB 10
Electric plant revenue bonds – HB 430
Financial administration – SB 18
Financial statement publication exemption – SB 23
Firefighters, foundation program fund – HB 793
Flood plain building codes – HB 715
Flood plain management, public information, program for – HB 481
Forfeited property, retention by counties, cities, and urban county governments – HB 679
Government, reorganization of – SB 210; HB 610
Income and sales tax levies by political subdivisions – HB 49
Incorporation and dissolution – SB 22
Industrial buildings in cities and counties, definition and acquisition of – HB 463
Industrial revenue bond issues – HB 462
Local government economic assistance program and fund – HB 970
Marshal, city of 6th, jurisdiction – HB 110
Municipal insurance premium tax, collection fee – HB 611
Net court revenue, years as computation bases – HB 749
Ordinances
  noise control – HB 561
  reading of – HB 8
  referendum on – HB 52
Organization – SB 26
Payroll deductions upon petition – SB 304; HB 744
Pension
  investment fund – HB 59
  system revision – HB 79
Planning and zoning, changes – HB 319
Planning commission hearings, notice of – SB 116
Plant boards, operation of utilities by – HB 390
Powers, generally, home rule authority – SB 41
Prevailing wage localities and hearings – HB 629
Property
  rate limit exemption, cities and urban counties – HB 915
  seized and abandoned, custodian for HB 668
  tax delinquencies, interest and penalties – HB 80
  taxation, omnibus revision – SB 19
Public ways – SB 20
Public works, prevailing wage exemptions – HB 223
Purchases
  competitive bidding requirement – HB 326
  procedures – HB 246, 477, 878

CITIES, GENERALLY (Cont'd)
Rape examinations and treatment, payment for—HB 632
Revenue sharing, petition to Congress to reenact—HR 91
Road aid increment—HB 154
Sewage disposal, onsite systems management authority—HB 233
Solid waste management plans, deadline—SB 308
Special assessments—SB 25
State mandates, fiscal notes on—HB 81
Tax increment financing for urban redevelopment—HB 912
Tourist and convention commission, terms of office—HB 282
Utilities
  interconnection with other sources—HB 899
  service in annexed area—SB 279; HB 734

CITIES, FIRST CLASS
Aldermen
  election of—HB 512
  subpoena power—HB 190
Arts, Kentucky Center for, corporation—HB 858
Building code standards adoption—SB 285
Civil service, exemptions—HB 593
Community action corporation exemption—HB 16
Libraries, supplemental funds—HB 859
Mayor, absence notice—HB 191
Police and firefighter pension boards—HB 875
Police, bargaining by—HB 831
Purchases, competitive bidding requirement—HB 326
Site acquisition, notice by housing authorities—HB 851
Waterworks construction—HB 381

CITIES, SECOND CLASS
Libraries, supplemental funds—HB 859
Library dissolution—HB 439
Ordinances, reading of—HB 8
Pension liabilities, state compensation for—HB 44
Police and firefighter disability and survivor benefits—HB 721
Utility commission, civil service exemptions—SB 255

CITIES, THIRD CLASS
Annexation of unincorporated territory in adjoining county—HB 305
Firefighters, hours on duty—HB 511
Funds, appropriation to private charities—HB 517
Library dissolution—HB 439
Police and firefighter survivor benefits—HB 722
Police, fees for services by—SB 151
Utility commission, civil service exemptions—SB 255

CITIES, FOURTH-SIXTH CLASS
Dissolution of charter, referendum on—HB 10
Firefighters
  hours on duty—HB 511
  minimum age, 4th—HB 543
Hearing on zoning amendment, notice of—HB 750
Library dissolution—HB 439
Local option elections in—HB 759
Marshal, 6th, jurisdiction of—HB 110
Police and firefighter survivor benefits—HB 722
Police disciplinary actions, 4th and 5th—HB 432
Prevailing wage, exemption in cities 4th-6th—HB 222

CIVIL PROCEDURE
Abortion injuries, limitation of actions—HB 933
Appeals, untimely, prohibit dismissal—HB 175
Civil
  action, professional services causing, time limit—HB 370
  procedure—HB 590, 869
Libel/slander, cause of action for—HB 318
Medical information release authorization—HB 893
Rules, urge amendment—HCR 46
Small claims division, post-judgment procedure—HB 940
Unincorporated association or organization, service of process on—HB 929
Venue
  in cases by or against the commonwealth—HB 259
  of actions for goods and services—HB 279
Water resources, administrative hearings on—SB 213

CIVIL RIGHTS
Discrimination
  protection against to age seventy—SB 79
  in housing—SB 79
  wages—SB 14
Human Rights Commission, abolition of—HB 100
Immunizations, parental objection to—HB 293
Loan to the Republic of South Africia, urge discontinuance—HR 58
Marriage of co-employes, prohibit discharge for—HB 521
Polygraph examinations prohibition—HB 164
Private clubs, discriminatory, alcoholic beverage licensure—HB 166
Public contracts, awards to employers of minorities—HB 457
Statutory construction, recovery on behalf of unborn human being—HB 934

CLAIMS
Against state, payment directed—SB 339
Board of, appeal from decision of—SB 363
Comparative fault, uniform act—HB 617
Small claims
  division, post-judgment procedure—HB 940
  division venue—HB 941
  in district courts; maximum jurisdictional amount—HB 130
  venue of action—SB 271
Treasurer of county, time of taking office, settlement of accounts—SB 172
Venue in cases by or against the commonwealth—HB 259
Victims of crimes, compensation of—HB 476

CLAPP, LLOYD E.
HR 1, 41, 64, 94; HB 265, 346, 418, 458, 503, 525, 532, 578, 605, 651, 717, 773, 776, 838, 908

CLARK, PAUL
HR 41, 77, 130, 144; HB 32, 53, 187, 190, 191, 299, 315, 341, 348, 349, 364, 393, 510, 618, 624, 651, 717, 785, 793, 859, 860, 861, 875, 908

CLARKE, JOE
HR 41, 77, 92; HB 70, 71, 115, 128, 129, 147, 160, 161, 219, 258, 321, 325, 342, 355, 369, 400, 401, 435, 456, 528, 539, 556, 605, 633, 648, 650, 687, 688, 724, 810, 891, 902, 905

COAL
Broad form deed—HB 328
Coal
  fund interest income—SJR 33
  impact road fund appropriations—HB 917
  region power plant development committee—HCR 126

COAL (Cont'd)
  transport by pipeline—HB 284
  utilization task force—HR 87
Electricians, certification for underground coal mining—HB 754
Emergency medical technician, employment in mines—HB 855
Energy
  and coal impact road fund—HB 797
  development and demonstration project, use of state funds—SB 260
  special road fund, creation of—HB 854
Explosives in mines, storage of—HB 753
"Good Samaritan Law," application to mine rescue teams—HB 675
Imported, LRC study directed—HCR 78
Industrial and state use—HJR 8
Industrial use promotion—HB 468
Man-trips—HB 752
Miner
  first-aid training—HB 719
  rescue teams, notice of availability—HB 236
  retraining, reporting of—HB 853
Non-primacy bill, omnibus revision—HB 830
Production, county license tax—HB 351
Review the decision to convert from coal to oil at Blackburn Correctional Complex—HR 23
Severance
  tax receipts for energy road fund—HB 882
  tax records—HB 688
  tax refund—HB 220
Shot firers, certification—HB 852
Small operator
  assistance to—HB 835
  programs study—HCR 118
Surface mining on two acres or less, regulation prohibited—HB 718
Tax exemption for gasoline used in off-road coal machinery—HB 28
Transportation, study of hindrances—HR 120
Utility and manufacturing plants' conversion to coal—HCR 9

COLLECTIVE BARGAINING
County police
  collective bargaining by—HB 549
  retirement contributions—HB 358
Firefighters collective bargaining authority extension—HB 595
Police, cities of first—HB 831
Public employe bargaining—HB 949
Teachers, collective bargaining for—HB 551

COMMENDATIONS AND RECOGNITIONS
1980 United States Olympic Hockey Team—HR 77
Bardstown, Kentucky bicentennial—HR 124
Bellevue High School football—HR 137
Bowling Green-Warren County Day—HR 134
Brown, John Y. Sr.—HR 55
Butler High School Bearettes Basketball Team—HR 131
Butler High School football—HR 140
Campbellsville College Lady Tigers Basketball Team—HR 93
Canadian government—HR 41
Chuck Hardwick Award—HR 71
Franklin County High School Basketball—HR 148
Hall, Tom T.—HB 64
Kahn, Alfred—HR 60
Kentucky Derby Festival—HR 116
KET, coverage of 1980 session—HR 155
Kidd, Coach Roy and EKU football—HR 31
Kyle Macy, Jay Shidler and La Von Williams—HR 90
LeMaster, Rep. Jim—HR 147
Love, Bill—HR 69
LRC staff, Susan Harding and Ken Clevidence—HR 151
Marmota monax—HR 45
Miss Kentucky, Kathryn Parker—HR 135
Murray State and Western Kentucky Universities, OVC Champions—HR 85

COMMENDATIONS AND RECOGNITIONS (Cont'd)
- Murray State University football team — HR 36
- National Negro History Week — HR 63
- Old Time String Music Week — HR 119
- Owensboro High School Basketball — HR 143
- "Phil Simms-Gary Shirk Day" — HR 61
- President Carter — HR 38
- Prichard, Edward F., Jr. — HR 176
- REACT Month — HCR 19
- Samuels, Alice — HR 138
- Save the Children Day, official designation of — HR 72
- Smith, Rep. Frank — HR 82
- Stepp, Ervin — HR 122
- Taylor County High School basketball — HR 133
- UK Basketball Team — HR 75
- Union County High School Braves Basketball Team — HR 141
- University of Louisville Basketball Cardinals — HR 76, 130
- Woerner, Steve, firefighter — HR 39
- Working people of Kentucky — HR 127

COMMON CARRIERS
- Bus companies, motor fuel tax exemption — HB 780
- Coal transport by pipeline — HB 284
- Hazardous waste, transportation of — HB 112
- Mass Transit
  - authorities, transportation of state employes — SB 327
  - definition — HB 706
  - programs for handicapped — HB 781
- Overweight carriers, penalties for — HB 799
- Railroads, attachment of a caboose — HB 367
- Taxicab fuel tax exemption repeal — HB 773

COMMUNICATIONS
- Cable television systems licensure — HB 961
- Rates for extension telephones — HB 168
- Radio amateur vehicle registration — HB 23
- REACT Month — HCR 19
- Telephone
  - aid for the speech and hearing impaired — HB 5
  - cross exchange service study — HCR 112
  - rate cases, information filings required — HB 544
  - service, countywide — HB 384
- WHAS, request for increase in power of — SCR 53

CONSTITUTION, KY.
- Age qualification for public officers — HB 276
- Amendment, form of ballot question — HB 895
- Court rule making, legislative participation — HB 228
- District courts, control by General Assembly — HB 615
- Fiscal court membership amendment — HB 665
- General Assembly members, terms — HB 354
- Governor, election, term, powers — HB 914
- Homestead exemption
  - extension — HB 4, 213, 241
  - for disabled persons — HB 109, 272
- Income and sales tax levies by political subdivisions — HB 49
- Kentucky Derby Lottery amendment — HB 386
- Local elections; time of holding — HB 291
- Lotteries, authorization of — SB 125
- Lottery prohibition, bingo exemption — HB 323
- Officers, absence definition — HB 143
- Prisoner employment — HB 775
- Property assessment moratoriums — HB 725
- Recall of elected public officials — HB 529
- Referendum and initiative, amendment for — HB 1
- Sheriffs, successive terms — SB 208; HB 501, 508

CONSTITUTION, KY. (Cont'd)
- Self-incrimination, prohibition, immunity from prosecution when compelled to testify — HB 660
- Statutes, to be construed as not violating — HB 169
- Tax increment referendum amendment — HB 172
- Terms of office, sheriff and constitutional officers — HB 14
- Treasurer/Secretary of State, combination of — HB 945

CONSUMER AFFAIRS
- Automobiles
  - auto repairs, disclosure requirement — HB 131
  - insurance, refusal to write or renew — HB 104
  - new, merchantability warranty — HB 365
- Consumer loan and credit transaction refinancing — HB 451
- Consumers' Advisory Council, legislative proposals — pp. 144-159
- Defective vehicles or repairs — HB 132
- District court, jurisdictional amount in automotive cases — HB 132
- Energy and utility commissions, consumer member — HR 28
- Insurance
  - health, review of complaints by commissioner — HB 816
  - premium payment grace period, extension — HB 442
  - rate increases offset by investment income — SB 170
- Life insurance, solicitation to replace — HB 874
- Materialmen's liens, omit "occupant" from statute — HB 843
- Milk marketing, fair trade repeal — HB 274
- Motor vehicles
  - new sale and merchantability — HB 751
  - recalled, unlawful sale — HB 845
- Price advertising — HB 471
- Product safety — HB 782
- Property owners association, powers of — HB 928
- Rates for extension telephones — HB 168
- Senior citizens' discount program — SB 39; HB 91
- Sunday closing exemptions — HB 182
- Telephone
  - rate cases, information filings required — HB 544
  - service, countywide — HB 384
- Transfer of ownership of previously registered vehicles by dealers — HB 22
- Utility
  - bills, information required on — SB 222
  - fuel adjustment clause elimination — HB 6
  - meters, reading of — HB 601
  - warning before peak electricity, demand situation — SB 217
- Venue of actions for goods and services — HB 279

CONTRACTS
- Crushed stone contract adjustment request — HR 152
- Highway maintenance contracts, completion priority — HB 46
- Library and Archives, personal service contract investigation — SJR 11; HJR 15
- Personal service contract review — HB 13, 102
- Public, bidding by Kentucky licensees only — HB 942
- Public contracts, awards to employers of minorities — HB 457
- Public information services, state — HB 336
- State procurement, small purchase limits — SB 200; HB 811
- Uniform Commerical Code — amendments to Article 9 — HB 673

CONVEYANCES
- Broad form deed — HB 328

COOPERATIVES
- "Telephone service" for cooperatives defined — HB 490

CORONERS
- Organ removal authority — HB 158

CORPORATIONS
- Agricultural land, limit on use — HB 473
- Alien land ownership registration — HB 105
- Banks and trust companies, minimum capital stock increment — SB 10
- Blue Sky Law
  - enforcement — HB 698
  - order to give evidence — HB 691
  - service of subpoenas — HB 696
- Business Development Corporations, business development — HB 653, 678
- Business organizations, organizations and regulation of — SB 371
- Corporate headquarters, Chessie system and seaboard — HR 114
- Combined stock and mutual insurer, authorization of — SB 231
- Domestic stock insurer
  - acquisition of equity securities — SB 237
  - defined — HB 627
  - merger and consolidation of — SB 239
- Farm, exempt from corporation license tax — HB 199
- Housing associations, reserves exempt from corporate income tax — HB 173
- Income tax
  - credit for apprenticeship programs — HB 266
  - state-federal conformity revision — HB 499
- Insurance companies, investments in obligations of directors and officers — HB 397
- License tax exemption for "open end registered investment companies" — HB 540
- Minors, employment of — HB 923
- Motor vehicle usage tax exemption, corporation dissolution or formation — HB 205
- Petroleum producers, divestiture of retail stations — HB 307
- Professional service corporations; omnibus revision — SB 348
- Sales tax due state, officers' liability — HB 174
- Securities regulation, nationally centralized filing — HB 762
- Take-over bids, offers subject to civil liabilities — HB 763

CORRECTIONS
- Conditional release abolition — HB 791
- Convict made products, allow sale — SB 368
- Criminally insane; care by bureau of — HB 249
- Jails, state operation — HB 953
- Parolees, reports to local law enforcement authorities — HB 787
- Prisoners
  - employment — HB 775
  - release or transfer — SB 334
- Sex offender rehabilitation — SB 326

COUNTIES, GENERALLY
- Ambulance service, requirements for — SB 66
- Appointment of personnel, tie votes by fiscal court — HB 785
- Area planning commissions, powers of — HB 519
- Billboards removed by local governments — HB 955
- Budget commission, elimination of — HB 135
- Chambers of commerce, appropriations to — HB 480
- Clerks
  - recording of instruments — HB 861
  - option to release lien — HB 870
- Coal impact road fund appropriations — HB 917
- Convict made products, allow purchase — SB 368

COUNTIES, GENERALLY (Cont'd)
County and municipal road aid increment—HB 154
County commissioners, at large nomination—HB 502
Courthouse rental payments—HB 507
Deputy county judge/executive not a member of fiscal court—HB 134
Dogs, spaying or neutering of—HB 192
Fiscal court, membership amendment—HB 665
Flood plain building codes—HB 715
Flood plain management, public information, program for—HB 481
Forfeited property, retention by counties, cities, and urban county governments—HB 679
Funds disbursement procedures—SB 349
Government, reorganization of—SB 210; HB 610
Health boards, dental hygienist member—HB 455
Housing, bond issues for—HB 817
Industrial buildings in cities and counties, definition and acquisition of—HB 463
Industrial revenue bond issues—HB 462
Income and sales tax levies by political subdivisions—HB 49
Jails
  dieting fee increment—HB 804
  inmates' medical care—HB 564
  state operation of—SB 278; HB 758, 953
Jailers, certification for hazardous duty retirement—HB 298
Kentucky retirement systems amendments—HB 574
Law librarian—SB 365
Local government economic assistance program and fund—HB 970
Merit and retirement system coverage—HB 862
Mineral production license tax—HB 351
Motor vehicle emissions inspection program—SB 315
Net court revenue, years as computation bases—HB 749
Noise control ordinances—HB 561
Occupational license fees, population required for—SB 353
Officials' audits, investigation of—HB 269
Ordinances, referendum on—HB 52
PVA
  notice to explain appeal procedure—HB 171
  office, allowance increment—HB 905
Planning commission hearings, notice of—SB 116
Police
  collective bargaining by—HB 549
  merit boards, personnel rules—HB 360
  officers, discipline of—HB 361
  political activities of—HB 359
  retirement age minimum—HB 341
Prevailing wage
  localities—HB 724
  localities and hearings—HB 629
Property seized and abandoned, custodian for—HB 668
Proposed ordinances, amendment—SB 63
Purchasing
  bid invitation notice—HB 740
  competitive bidding requirement—HB 326
  procedures—HB 878
  small, maximum—HB 246, 477
Rape examinations and treatment, payment for—HB 632
Revenue sharing, petition to Congress to reenact—HR 91
Road system
  fiscal court to decide acceptance from state—HB 826
  state, portions assumed—SB 68
Sewage disposal, onsite systems management authority—HB 233
Sheriffs, retirement credit—HB 297

COUNTIES, GENERALLY (Cont'd)
Soil conservation districts, funds for—HB 730
Solid waste management plans, deadline—SB 308
Special districts
  dissolution of—HB 747
  governing body members' removal—HB 111
State mandates, fiscal notes on—HB 81
State Tax Revenue Sharing Fund—HB 908
Subdivisions, street maintenance and urban services in—HB 547
Tax increment financing for urban redevelopment—HB 912
Tourist and convention commission, terms of office—HB 282
Treasurer
  bank officers ineligible—HB 320
  county, time of taking office, settlement of accounts—SB 172

COUNTIES, URBAN
Borrowing of funds—SB 253; HB 904
Comprehensive plan commission—HB 304
Forfeited property, retention by counties, cities, and urban county governments—HB 679
Government, reorganization of—SB 210; HB 610
Jails, state operation of—SB 278; HB 758
Libraries, supplemental funds—HB 859
Municipal insurance premium tax, collection fee—HB 611
Payroll deductions upon petition—SB 304; HB 744
Pension liabilities, state compensation for—HB 44
Police and firefighter pension, cost-of-living increases—HB 375, 376
Property tax rate limit exemption, cities and urban counties—HB 915
Rape examinations and treatment, payment for—HB 632
Redistricting of legislative bodies—HB 741
Retirement system, employe contribution—SB 347

COUNTIES WITH CITIES OF THE FIRST CLASS
Alcoholic beverage premises, distance between—HB 720
Building code standards adoption—SB 285
Clerks, recording of instrument—HB 861
Constables, allowance for use of auto—HB 856
Court facility changes, payment for—SB 364
"Honest election committee" members; entry into voting room—HB 294
Libraries, supplemental funds—HB 859
Low-rent housing, study of—HCR 66
Magistrates, election for—HB 585
Police retirement contribution bargaining—HB 358
Purchases, competitive bidding requirement—HB 326
Tourist and Convention Commission, tax—HB 956

COUNTIES WITH CITIES OF THE SECOND CLASS
Libraries, supplemental funds—HB 859

COUNTIES WITH CITIES OF THE THIRD THROUGH SIXTH CLASS
County law librarian, appointment by circuit judge—HB 727
Public road districts, establishment by counties having cities of the fourth class—HB 303
Subdivisions, street maintenance and urban services in—HB 547

COUNTY CLERKS
Fees
  financing statements and game licenses—HB 427
  increase of—SB 235
  recording fees—HB 270
Instruments, recording of—HB 861
Lien release option—HB 870
Motor vehicle
  certificate of registration, failure to note lien—HB 860
  financing statements, filing of—HB 206
  inspection responsibility—HB 203
  operators license issue—HB 202
  registration and licensing procedures—SB 381
  use tax collection commission—HB 684
Subdivision plats recorded, dimensions of—HB 204
Voter registration cards, issuance of—SB 33

COUNTY JUDGE/EXECUTIVE
Appointment
  of personnel, tie votes by fiscal court—HB 785
  to library board—HB 439
Budget preparation—HB 135
Oaths, authority to administer—HB 562

COURT CLERKS
Adoption records, access on consent of natural parent—HB 404
Circuit clerks
  maintenance of general order book—HB 267
  salaries, cost-of-living provisions—SB 102; HB 321
Court of justice, omnibus bill—HB 890
Judgment books, maintenance—HB 429
Marriage license fees—HB 33
Salaries, cost-of-living increase—HB 399

COURT OF APPEALS
Judicial salaries, cost-of-living provisions—SB 102; HB 321
Open meetings law, conferences subject to—HB 237

COURT, SUPREME
Attorneys, disciplinary procedure—HB 253
Chief Justice, State of the Judiciary address—pp. 177-184
Judicial salaries, cost-of-living provisions—SB 102; HB 321
Law library, furnishing books maintained, exchange program—HB 937
Open meetings law, conferences subject to—HB 237
Rule making, legislative participation—HB 228

COURTS, CIRCUIT
Adoption records, access on consent of natural parent—HB 404
Appeal of alcoholic beverage license revocations—HB 619
Commissioners, master, salary increase for—HB 273
Court of justice, omnibus bill—HB 890
General order book, maintenance by clerk—HB 267
Grand jury, uniform instruction about duties—HB 966
Fee for issuing execution by clerk—HB 783
Incompetency proceedings, jurisdiction—HB 714
Judges, additional—SB 141; HB 68, 260, 423, 489, 527
Judicial salaries, cost-of-living provisions—SB 102; HB 321
Lawrence and Martin Counties, new circuit—HB 423, 527
Securities investigation, order to give evidence—HB 691

COURTS, CIRCUIT (Cont'd)

- Subpoenas of Commissioner of Labor—HB 647
- Termination of parental rights records, access—SB 282

COURTS, DISTRICT

- Control by General Assembly—HB 615
- Court of justice, omnibus bill—HB 890
- Districts with two judges, 48th as—HB 250
- Fee for issuing execution by clerk—HB 783
- Incompetency proceedings, jurisdiction—HB 714
- Judges, additional—SB 141; HB 69, 72, 409, 423, 486, 489, 527
- Judgment enforcement—HB 280
- Judicial salaries, cost-of-living provisions—SB 102; HB 321
- Jurisdictional amount—HB 132
- Juveniles
  - convicted of felonies, sentencing of—HB 726
  - county attorney to prosecute—HB 911
  - jursidiction—SB 59
- Lawrence and Martin Counties, new district—HB 423, 527
- Mental health hospitalization procedures—HB 906
- Misdemeanants, release from jail—SB 77
- Pretrial release, restrictions on—HB 43
- Redistricting—SB 141; HB 489
- Sale of land by fiduciary, procedure—SB 100
- Small claims
  - actions by banks—HB 570
  - division, post-judgment procedure—HB 940
  - division venue—HB 941
  - maximum jurisdictional amount—HB 130
  - number of filings allowed—HB 452
  - venue of action—SB 271
- Trial commissioners
  - retirement coverage—HB 17
  - salary limit—HB 505

COURTS, FISCAL

- Abortions, authority to regulate—HB 277
- Budget approval—HB 135
- County commissioners, at large nomination—HB 502
- Deputy county judge/executive not to preside—HB 134
- Funds disbursement procedure authorization—SB 349
- Hazardous waste facilities, license for—HB 703
- Membership amendment—HB 665
- Mileage expense, members reimbursement for—HB 258
- Personnel appointments, tie votes on—HB 785
- Proposed ordiances, amendment—SB 63
- Soil conservation districts, funds for—HB 730

COURTS, GENERALLY

- Appeals, untimely, prohibit dismissal—HB 175
- Attorneys, disciplinary procedure—HB 253
- Bail bond fees, surety qualifications—HB 506
- Bar association, voluntary membership in—HB 227
- Consent searches, admission of evidence—HB 960
- Court of justice
  - budget appropriation—HB 693
  - omnibus bill—HB 890
- Courthouse rental payments—HB 507
- Courts—HB 590
- District court, jurisdictional amount—HB 132
- District judges, number of—HB 250
- Douglas, Justice William O., resolution honoring—HR 32
- Facilities changes, reimbursement of county with 1st—SB 364

COURTS GENERALLY (Cont'd)

- Judges, additional, certification of need for—pp. 47, 48
- Net court revenue, years as computation bases—HB 749
- Offending attorney, fining of—HCR 46
- Open meetings requirements—HB 413
- Order books, maintenance by circuit clerks—HB 429
- Property seized and abandoned, custodian for—HB 668
- Public advocacy—HB 61
- Search warrant requirements—HB 960
- Securities investigation, order to given evidence—HB 691
- Sheriff's fees for service of process on behalf of Commonwealth—HB 383
- Small claims in district courts, maximum jurisdictional amount—HB 130
- State of the Judiciary address—pp. 177-184
- Unincorporated association or organization, service of process on—HB 929
- Venue
  - in cases by or against the commonwealth—HB 259
  - of actions for goods and services—HB 279

CRADDOCK, ALLENE A.

- HR 41; HB 50, 130, 134, 146, 160, 211, 219, 374, 518, 532, 605, 668, 717, 724, 768, 829
- Voting modifications—HB 14Y, p. 2831

CRIMES AND PUNISHMENTS

- Adults, protection of—HB 779
- Animal traps, unlawful use—HB 322
- Arson
  - and false alarms, payment for cost of fire departments responding to—HB 89
  - definition and penalties—HB 546
  - immunity for insurance companies—HB 106
- Assault on news media personnel, penalty—HB 626
- Audits, fine for failure of witness to appear—HB 580
- Auto theft—SB 277
- Body cavity searches, restriction on—HB 661
- Burglary, definition of—HB 823
- Capital offense, pretrial release procedure—HB 19
- Capital punishment repeal—HB 252
- Citations issued to operators of commercial vehicles—HB 66
- Conditional release
  - abolition—HB 791
  - eligibility—SB 37
- Controlled substance
  - penalties—HB 141, 389
  - Schedule III, penalty for possession increased—HB 64
  - trafficking, mandatory jail sentence—HB 224
- Criminal records, sealing of—SB 227
- Criminal syndicate definition—HB 621
- Cruelty to animals, prevention of—HB 357
- Death sentence, how executed—HB 873
- Domestic abuse—HB 86
- Driving while intoxicated, driver education following—HB 497, 500
- Drug paraphernalia, prohibit sale or possession of—HB 419
- Drunk in public place, repeal prohibition—HB 373
- Firearms, parole for offenses committed with—HB 418
- Forfeited property
  - retention by counties, cities, and urban county governments—HB 679
  - sale in theft cases—HB 620
- Gambling, "Charitable gaming" exemption—HB 591
- General revision of chapters 431-438—HB 88
- Glue and paint, penalty for inhalation—SB 283; HB 97

CRIMES AND PUNISHMENTS (Cont'd)

- Governmental crimes, prosecution of—HB 325
- Grand jury, statewide—HB 769
- Gunshot wounds, reporting of—SB 378
- Handgun purchase permit requirement—HB 496
- Handicapped or elderly, crimes against—HB 475
- Hazardous waste management, penalties—HB 702
- Insane, criminally; facility for treatment of—HB 249
- Jails, omnibus revision—HB 939
- Jury sentencing, replacement by judge sentencing—HB 635
- Juveniles
  - code study—SJR 55
  - convicted of felonies, sentencing of—HB 726
  - uniform code for—SB 309
- Kidnapping, when a capital offense, when a felony—HB 85
- Library and archival theft—HB 866
- Littering
  - criminal evidence—HB 231
  - penalties—HB 883
  - violations, awards for reporting of—HB 622
- Machine, obscuring identity of, penalty—HB 620
- Marijuana cases
  - forfeiture of property in—HB 926
  - growing, penalty for—HB 126
- Matter harmful for children, sale and display—HB 577
- Meters, gas, water, electricity, tampering with—HB 316
- Misdemeanants, release of from jail—SB 77
- Misdemeanor record expungement—SB 330
- Motor vehicle fines, failure to pay—HB 558
- Museum, donated items, illegal transfers—HB 308
- Official misconduct, penalty increases and limits on prosecution—SB 118
- Parole
  - eligibility, minimum sentence—SB 37
  - prohibited when crime involves use of firearms—HB 157
- Personal property numbering system—HB 620
- Police radio possession offense, exemptions—HB 39, 50
- Prisoner release or transfer—SB 334
- Property
  - forfeiture and identification—SB 277
  - stolen or damaged, reparation—HB 415
- Public advocacy—HB 61
- Public servants, soliciting or receiving unlawful compensation, penalty—HB 369
- Rape
  - examinations and treatment, payment for—HB 632
  - life without parole for—HB 200
- Search warrant requirements—HB 960
- Services theft, devices for—HB 392
- Sex offender rehabilitation—SB 326
- Sex offense victims, prohibition of name release—SB 177; HB 575
- Small business, information on crimes against—HR 59
- Theft of automobile or propelled vehicle—HB 621
- Utilities, tampering with meters—HB 316
- Watercraft identification number alteration—HB 589
- Wildlife-penalties for taking with special devices—HB 306
- Vehicles, unauthorized use, penalty—HB 620
- Victims of crimes, compensation of—HB 476

CRIMINAL PROCEDURE

- Appeals, untimely, prohibit dismissal—HB 175
- Attorney General to prosecute cases involving state money or property—SB 119

CRIMINAL PROCEDURE (Cont'd)
Bail bonds
  Fees, surety qualifictions — HB 506
  value of real estate securing — HB 19
Body cavity searches, restriction of — HB 661
Burglary, definition of — HB 823
Capital punishment repeal — HB 252
Commonwealth detectives, statewide power — HB 396
Conditional release
  abolition — HB 791
  eligibility — SB 37
Consent searches, admission of evidence — HB 960
Controlled substances actions, reputation as evidence — HB 221
Criminal records, sealing of — SB 227
Death sentence, how executed — HB 873
Domestic abuse — HB 86
Firearms, parole for offenses committed with — HB 418
Grand jury
  proceedings, conduct and recording of — HB 935
  uniform instruction about duties — HB 966
Handicapped or elderly, crimes against — HB 475
Inmunity from presecution, order impelling testimony — HB 660
Indigent persons' defense — HB 590
Insanity, plea of not quilty by reason of — HB 249
Jury sentencing, replacement by judge sentencing — HB 635
Juveniles
  convicted of felonies, sentencing of — HB 726
  uniform code for — SB 309
Kidnapping, when a capital offense, when a felony — HB 85
Marijuana cases, forfeiture of property in- — HB 926
Misdemeanants, release of from jail — SB 77
Misdemeanor record expungement — SB 330
Newsgathering organizations, premises search prohibited — HB 965
Parole board members, liability for parolees' acts — HB 243
Parole
  eligibility, minimum sentence — SB 37
  prohibited when crime involves use of firearms — HB 157
Pretrial release
  restrictions on — HB 43
  when charged with capital offense — HB 19
Public advocate, indigency requirements, repayment for services — HB 424
Public defender, establishment in judicial district with 3 circuit judges — HB 784
Rules, urge amendment — HCR 46
Sex offense victims, prohibition of name release — HB 575
Utilities, theft of services, proof of — HB 316
Victims of crimes, compensation of — HB 476

CRUPPER, CLAY
HR 26, 41, 43, 94, 153; HB 148, 186, 187, 258, 265, 326, 332, 388, 433, 436, 568, 681, 826, 827, 838, 930, 964

CURD, FREED
HR 36, 41, 43, 80, 85, 94; HB 187, 219, 326, 333, 349, 382, 393, 412, 458, 469, 470, 489, 492, 560, 792

CYRUS, RONALD R.
HR 41, 43, 64, 77, 95, 127, 130, 144; HB 14, 63, 109, 241, 246, 247, 278, 334, 335, 341, 349, 367, 384, 388, 399, 441, 442, 474, 483, 484, 489, 491, 500, 526, 594, 623, 624, 705, 717, 757, 767, 783, 838, 949, 950
Voting Modifications — HB 817Y, p. 2478; SB 41N, p. 1916

DAIRYING AND MILK MARKETING
Creameries, omnibus revision — HB 967
Milk houses and parlors, plumbing code exemption — HB 964
Milk marketing, fair trade repeal — HB 274
Selling below cost permitted — HB 368

DAVENPORT, MARSHALL
HR 41, 50, 64, 73, 77, 130, 144; HB 11, 116, 134, 135, 140, 265, 300, 370, 383, 388, 394, 494, 600, 605, 630, 717, 827

DAWAHARE, HOOVER
HR 32. 26. 30, 41, 64, 78, 118, 153, 155; HB 74, 187, 219, 236, 244, 246, 328, 347, 349, 374, 388, 447, 718, 774, 835, 838, 879, 888
Voting modifications — HB 973N, p. 2831

DEADLY WEAPONS
Firearms, parole for offenses committed with — HB 127, 418
Handgun purchase permit requirement — HB 496

DEATHS
Organ removal authority — HB 158

DeFALAISE, LOUIS
HR 41, 46, 50, 77, 144; HB 89, 167, 168, 169, 170, 171, 172, 173, 174, 175, 222, 223, 243, 237, 248, 265, 293, 304, 321, 323, 356, 364, 374, 424, 454, 460, 474, 480, 497, 519, 558, 571, 572, 591, 605, 607, 660, 661, 673, 717, 769, 776, 871, 872, 874, 908

DeMARCUS, WM. HAROLD
HR 41, 50, 64, 121; HB 76, 102, 124, 132, 187, 262, 265, 321, 322, 336, 374, 378, 383, 455, 460, 474, 493, 563, 809, 838, 919
Voting modifications — HB 236Y, p. 2831

DESKINS, HERBERT
HR 23, 30, 41, 64, 77, 87, 118, 126, 147; HB 108, 109, 256, 261, 272, 328, 335, 341, 349, 429, 440, 495, 559, 560, 561, 566, 617, 662, 708, 709, 710, 711, 712, 713, 714, 716, 717, 719, 828, 830, 835, 838, 857, 869, 911, 932, 964

DISASTERS
Emergency services for flooding, jurisdiction on — HB 690
Flood damage abatement program, community eligibility — HB 177
Train derailments, financial responsibility for — HB 317

DISTILLED SPIRITS
Ad valorem taxation — HB 840, 972
Advertising — HB 531
Distance between licensed premises, counties with 1st — HB 720
Gasohol, production in Kentucky — HR 29
Sunday sales of alcoholic beverages — SB 187; HB 586

DOGS
Spaying or neutering of — HB 192
State dog, coon hound as — HB 420

DOMESTIC RELATIONS
Abuse, shelter facilities — HB 33, 45
Abused spouse; protective orders — HB 87, 779
Child custody
  change of name — HB 454
  joint award — HB 356
  jurisdiction, uniform act — SB 42; HB 92
Divorce
  actions, waiting period for testimony, child's involvement — HB 42
  custody proceedings — HB 814
  revocation of will, exception — HB 813
Domestic abuse — HB 86
Grandparental visitation rights — HB 578

DOMESTIC RELATIONS (Cont'd)
Marriage license
  blood test requirement repeal — HB 778
  fees — HB 33
  waiting and blood test exemptions — HB 408

DONNERMEYER, WILLIAM
HR 14, 33, 41, 77, 94, 111, 132, 137, 144; HB 32. 90, 91, 119, 125, 146, 147, 183, 184, 186, 188, 189, 209, 265, 277, 292, 293, 315, 323, 332, 349, 364, 377, 386, 388, 433, 453, 477, 478, 480, 539, 586, 591, 605, 611, 612, 624, 636, 637, 638, 639, 706, 717, 722, 751, 755, 793, 819, 821, 829, 836, 838, 857, 865, 874, 887, 908, 923, 924, 925, 926, 927, 931, 968, 969, 970, 971, 973, 974
Voting modifications — HB 283Y, p. 518

DRUGS AND MEDICINES
Alcoholism treatment and rehabilitation — SB 214; HB 755
Angel dust, controlled I substance — HB 389
Blood banks, procedures concerning — HB 709
Controlled substances
  actions, reputation as evidence — HB 221
  penalties, HB 141, 389
  schedule III, penalty for possession increased — HB 64
  trafficking, mandatory jail sentence — HB 224
Drug paraphernalia, prohibit sale or possession of — HB 419
Glue and paint, restrictions on — SB 283; HB 53, 97
Horses, prohibit use of painkillers on — HB 290
Kentucky Voluntary Effort Health Care Cost Containment — SCR 23
Laetrile, legalize use of — HB 624
Marijuana
  cases, forfeiture of property in — HB 926
  growing, penalty for — HB 126
Motor vehicle operator's license, space for listing drugs — HB 217
Prescriptions, regulation of — SB 342

DUNN, JAMES R.
HR 14, 33, 41, 64, 77, 94, 130, 144; HB 20, 26, 27, 31, 32, 35, 37, 41, 47, 51, 63, 65, 66, 90, 91, 98, 99, 111, 117, 125, 130, 131, 132, 133, 134, 138, 140, 143, 145, 178, 182, 186, 265, 295, 299, 347, 348, 383, 393, 510, 538, 554, 593, 618, 620, 621, 624, 717, 744, 767, 785, 859, 860, 861. 870, 875, 898, 908
Democratic State Central Committee appointment — p. 2916

ECONOMIC DEVELOPMENT
Area development fund — SB 390
Chambers of commerce, appropriations to — HB 480
Chemical/Energy Park Authority — SB 245
Coal, promoting industrial use — HB 468
Economic development roads, creation of — HB 969
Energy development and demonstration projects, use of state funds — SB 260
Free enterprise systems; resolution recognizing — HR 156
Industrial
  buildings in cities and counties, definition and acquisition of — HB 463
  development Finance Authority — HB 464
  employes, training for — SB 91
  sites, less than 25 acres, loans for — HB 121
Kentucky promotion, task force — HJR 97
Local government economic assistance program and fund — HB 970
Small business development, study task force — HJR 104
Southern Growth Policies Agreement — SB 284
Taylorsville Lake Project — HR 157

EDUCATION, ELEMENTARY AND SECONDARY
Abuse of teachers, penalty—HB 677
Administrative personnel, demotion of—HB 479
Age for entering school—SB 140; HB 40
Attendance recording for extended school days—HB 151
Average daily attendance calculation—HB 138
Board members
  election to other public offices—SB 174
  employment of relatives—SB 146
Boards, bank depository designations—HB 450
Building fund tax levies, purposes of—HB 628
Busing protest day—HR 2
Capital outlay, foundation program units—HB 910
Centers for child learning and study, establishment of—HB 723
Christian schools, tax support for—HCR 79
Classified employes, physical exam for—SB 142
Classified personnel, annual salary increments—HB 470
Clubs, sales tax exemption—HB 829
County superintendent, election of—HB 557
District procurement activities—HB 405
Employes
  emergency medical treatment liability—SB 60
  pay date schedule for—HB 469
Exceptional children
  programs—SB 341
  teachers of—HJR 43
Flag, pledge of allegiance requirement—HB 32
Fees, students charged for—SB 85, HB 51
Foundation Program
  classroom unit allotment—HB 395
  per-pupil cost study—HR 3
  gifted and talented—HB 552
Guidance and counseling programs, encourage expansion of—HR 86
High school athletics tickets, sales tax exemption—HB 186
High school graduation, courses required—HB 230
Personnel
  board actions on—HB 819
  emergency medical treatment liability exemptions—HB 387
Prayer
  allow teachers to conduct—HB 493
  provision for voluntary—HB 37
  silent, time required for—HB 187
Salary schedule, basis for—HB 550
School board members, election of—HB 614
School buses, use for other purposes—HB 149
School terms, beginning date of—HB 553
Scientific creationism, teaching of—HB 889
Substitute teachers
  pay reimbursement by state for—HB 524
  retired teachers as—HB 436
Teachers
  annual leave—HB 218
  collective bargaining for—HB 551
  school board, membership of—HB 605
  suspension for felonious charge—HB 946
Textbooks for pupils in state accredited schools—HB 925
Vocational or deaf or blind teachers, starting salaries for—SB 299
Voter registration in schools—HB 24

EDUCATION, FINANCE
Average daily attendance calculation—HB 138
Boards, bank depository designations—HB 450
Building fund tax levies, purposes of—HB 628

EDUCATION, FINANCE (Cont'd)
Capital outlay, foundation program units—HB 910
Christian schools, tax support for—HCR 79
Employes, pay date schedule for—HB 469
Fees, students charged for—SB 85
Foundation Program
  classroom unit allotment—HB 395
  per-pupil cost study—HR 3
  gifted and talented, foundation program units—HB 552
Higher Education Assistance Authority—SB 195
Property Tax
  assessment certification—HB 146
  overpayment, refunds following—SB 287
School building authority, compliance with legislative intent—HJR 40
School district
  tax sources, study of—HR 5
  treasurers, electronic funds transfer—HB 310
Student loans, provision of bonds for—SB 201
Substitute teachers, pay reimbursement by state for—HB 524
Utility gross receipts
  license tax for schools, senior citizens exemption—HB 195
  tax rate limit—HB 210

EDUCATION, HIGHER
Centers for child learning and study, establishment of—HB 723
Council on Higher Education, membership—SB 57
Employes' retirement credit purchase—SB 242; HB 771
Faculty
  tenure, study of procedures for granting—HJR 98
  test verbal skills of—HB 897
Jefferson Community College Southwest, completion of—HB 510
Kentucky retirement systems, service credit for university employment—HB 805
Medical residency
  free-standing—HB 139
  positions—HB 150
National Guard Educational Encouragement Fund—SB 215
Professional Education Preparation Programs—HB 136, 137
Proprietary education—HB 808
Regional universities, boards of regents, staff person's membership—SB 57; HB 333
Student loans, provision of bonds for—SB 201
Student records, defunct schools, maintenance of—HB 48
University of Kentucky board of trustees, membership—HB 57, 118
University of Louisville
  board of trustees, membership—HB 57, 412
  medical care appropriation—HB 618

EDUCATION, VOCATIONAL
Community education programs—SB 93
Employes' salary schedule—HB 133
Industrial employes, training for—SB 91
National Guard Educational Encouragement Fund—SB 215
Salary schedule for—HJR 65
Voter registration—HB 24

ELECTIONS
Absent voting procedures—HB 140, 379, 394
Annexation ordinance, referendum required—HB 67
Campaigns
  committee reports—HB 313
  contribution limitations—HB 435
  finance regulations; omnibus revision—SB 366; HB 800

ELECTIONS (Cont'd)
Candidate, ballot identification by name only—HB 350
Cities, dissolution of, referendum on—HB 10
City of the first class, alderman—HB 512
City manager government, write-in voting—HB 324
Constitutional amendment, form of ballot question—HB 895
County commissioners, at large nomination—HB 502
County school superintendent, election of—HB 557
Disabled voters, manner of voting—HB 348
Election offenses, false publication—HB 178
Electronic voting machines—SB 225
Handicapped voters' access—SB 150
"Honest election committee" members; entry into voting room—HB 294
Independent registrants, party designation in primary election—HB 314
Local elections, constitutional time of holding—HB 291
Local option elections—HB 555, 619, 759
Magistrates on fiscal court, election for—HB 585
Officers charged with returning ballots—HB 26
Officers of election, relation to candidate; mileage allowance—HB 523
Ordinances, referendum on—HB 52
Polls, accessibility of—HB 353
Precinct
  boundaries—HB 27
  boundary review—HB 340
  election cost, state share increment—HB 345
  election officers, compensation of—HB 301
  officers, minimum pay increment—HB 742
Presidential primary
  date—HB 176
  delegate vote distribution—HB 438
Primaries
  election date change—HB 270, 295
  open—HB 76
  voting after party affiliation change—HB 311
Public questions, cities—SB 26
Recall elections, constitutional amendment—HB 529
Referendum and initiative, constitutional amendment—HB 1
Referendum, notice of text of question—HB 916
School board members, election of—HB 614
Special elections, general assembly or Congress—HB 425
Tax increment referendum amendment—HB 172
Urban-county governments, redistricting in—HB 741
Voter registration
  card, elimination—HB 428
  card, issuance of—SB 33
  citizenship verification—HB 670
  in schools—HB 24
  verification of right—SB 186
Voting machine inspection notice—HB 352

ELLINGTON, JOEL
HR 64; HB 17, 20, 125, 219, 247, 351, 387, 419, 458, 532, 577, 776, 838, 893, 946
Voting modifications—HB 11Y, p. 170; HB 98N, p. 628; SB 44Y, p. 2831

EMBLEMS
State dog, coon hound as—HB 420

EMERGENCY OR EXTRAORDINARY EFFECTIVE DATE, LEGISLATION CONTAINING
Emergency—SJR 11; SB 91, 99, 102, 142, 200, 292; HJR 27; HR 3, 15, 16, 52; HB 5, 315, 321, 326, 336, 399, 479, 514, 572, 600, 728, 766, 857, 858, 878, 902(Section 1)

EMERGENCY OR EXTRAORDINARY EFFECTIVE DATE, LEGISLATION CONTAINING (Cont'd)
January 1, 1978 – HB 267
January 1, 1981 – HB 202, 402, 938
January 1, 1982 – HB 950
January 1, 1983 – SB 44(Sections 1-11); HB 601, 950
January 1, 1984 – HB 176
April 1, 1980 – HB 864
June 1, 1980 – HB 315
July 1, 1980 – SB 38; HB 105, 235, 766, 973
July 15, 1980 – SB 278; HB 507, 758
July 1, 1981 – SB 278; HB 758, 809
July 15, 1981 – HB 950
July 1, 1982 – SB 214, 309; HB 472, 755, 839
September 1, 1980 – HB 949
October 1, 1980 – HB 384

EMINENT DOMAIN AND CONDEMNATION
Attorney and expert witness fees, award of – SB 157
Compensation for good will – HB 820
Development within fifteen years – SB 17
Landlocked property – HB 446
Oil and natural gas carriers as public services – SB 156
Park purposes, relocation assistance payments required – HB 716

ENERGY
Chemical/Energy Park Authority – SB 245
Claims upon coal severance or processing tax proceeds – HB 837
Coal
  industrial and state use – HJR 8
  promoting industrial use – HB 468
  region power plant development committee – HCR 126
  transport by pipeline – HB 284
  utility and manufacturing plants' conversion to coal – HCR 9
Cost assistance study – HR 115
Define electricity rates – HB 745
Energy committee to study alternate energies – HR 123
Energy conserving devices, exemption of – HB 194
energy cost assistance
  appropriation – HB 180
  investigation – HCR 16
  program, repeal of – HB 666
  program response – HR 47
  programs, expression of displeasure concerning – HR 68
Energy development and demonstration projects, use of state funds – SB 260
Gasohol, production in Kentucky – HB 838, 903; HR 29
Income tax credit for solar heating equipment – HB 183, 209
Oil and gas, windfall profit tax – HB 958
Oil shale mining, regulation – SB 257; HB 932
Research board membership – SB 389
Retail businesses, work days of – HB 567
Review the decision to convert from coal to oil at Blackburn Correctional Complex – HR 23
Solar energy
  advisory committee created – HCR 42
  coordinating council – HB 54
  systems, property tax on – HB 184
Southern Interstate Nuclear Compact, changed to Southern States Energy Board – SB 386
Special energy road fund, creation of – HB 854
Thermal efficiency standards for single family homes – SB 338

ENGINEERS AND SURVEYORS
Licensure – HB 414
Engineering, definition of – HB 219

ENVIRONMENT AND CONSERVATION
Air pollution measurements study – HR 154
Air standard violation, penalty – SB 192
Animal traps, unlawful use – HB 322
Blackbirds, action against by state – HR 73
Beverage container redemption – HB 809
Bird roosts, decontamination for histoplasmosis – HB 600
Drinking water, protection from underground injections – HB 560
Federal surface mining law, injunctive relief – HR 30
Flood damage abatement program, community eligibility – HB 177
Flood plain management, public information, program for – HB 481
Hazardous substances spills and abandoned sites, financing of – SB 266
Hazardous waste
  facilities, siting incentives – HB 703
  facilities, state-owned – HB 701
  management of – HB 112
  management, penalties – HB 702
  management, policy and standards – SB 267
Litter
  assessment, exemption – HB 474
  assessment, repeal – SB 243; HB 651
  criminal evidence – HB 231
  penalties – HB 883
  violations, awards for reporting of – HB 622
Locking and dredging of Kentucky River – HR 153
Motor vehicle emissions inspection program – SB 315
Nature preserves, voluntary income tax check-off – SB 124
Noise control ordinances – HB 561
Nuclear
  issues, special committee for – HCR 4
  materials, permit required for transporting – HB 113
  power facilities, monitoring of discharges – HB 114
  waste disposal sites, policy toward – SB 47; HB 98
Nuisance suits against agricultural operations, limitation on – HB 909
Oil shale mining
  regulation – SB 257; HB 919, 932
  zoning restriction of – HB 815
Pesticide applicators, financial responsibility – HB 954
Red fox, taking of restricted – HB 256, 261, 262
Regulations on waste, repeal restrictions on – SB 268
Safety inspectors of dams – HB 559
Shale mining, zoning restriction of – HB 815
Soil conservation equipment haulers – SB 6
Solid waste management – SB 333
Surface mining, omnibus revision – HB 566
Taylorsville Lake Project – HR 157
Waste oil recycling program – HB 704
Waste statutes, study of – HCR 81
Water resources
  administrative hearings on – SB 213
  advisory commission created – HB 296
Wildlife-penalties for taking with special devices – HB 306

ESTATES OF DECEDENTS
Divorce, revocation of will, exception – HB 813
Fiduciaries, investments authorized – SB 302; HB 790
Illegitimate children, inheritance by and from – SB 251
Inheritance tax exemptions – SB 181; HB 116
Omnibus bill – SB 249
Settlement
  by fiduciary – SB 100, 204
  exempt as law practice without license – HB 667
Survivorship, right to entirety, not to be defeated by will – HB 94

EXPLOSIVES
Underground coal mines, storage – HB 753

FAIRS
State Fair Board, open records of – HB 95

FARROW, MARK
HR 41, 77, 112; HB 91, 110, 187, 194, 222, 267, 332, 373, 395, 409, 419, 433, 489, 508, 511, 547, 662, 676, 677, 678, 681, 717, 792, 838, 891, 909, 930
Voting modifications – HB 806N, p. 2478; HB 817Y, p. 2478; SB 27Y, p. 2478; SB 59Y, p. 2478

FEES
Bail bond fees, surety qualifications – HB 506
County clerks
  increments for – HB 427
  increase of – SB 235
  issuing execution by – HB 783
Dieting fee, increment for county jails – HB 804
Hairdressers and cosmetologists, license fees for – HB 738
Hazardous waste
  material transport, permit fee – HB 863
  management assessment – SB 266
Marriage license fees – HB 33
Police, cities of 3rd – SB 151
Sheriffs
  fees for service of process on behalf of Commonwealth – HB 383
  transport of prisoners – HB 563
Student cultural enrichment fees – HB 51

FIDUCIARIES
Guardians and conservators, omnibus revision – HB 974
Investments authorized – SB 302; HB 790
Sale of land by fiduciary, procedure – SB 100
Settlement of decedent's estates – SB 204

FIREARMS
Gunshot wounds, reporting of – SB 378
Handgun purchase permit requirement – HB 496

FIREFIGHTERS AND FIRE DEPARTMENTS
Arson and false alarms, payment for cost of fire departments responding to – HB 89
Cities of 4th, minimum age of firefighters – HB 543
Civil service
  in cities of 1st, exemptions – HB 593
  provisions – SB 24
Collective bargaining authority extension – HB 595
Commission on fire protection, membership – SB 216
Death benefits increment – HB 488
Emergency vehicles, warning requirements – HB 767
Fire calls, reports to commissioner of insurance – HB 526
Foundation program fund – HB 793
Gasoline tax refund for vehicles used by volunteer fire departments – HB 947
Good samaritan law, firefighters and rescue personnel added – HB 776
Income tax
  credit for volunteer firefighters – HB 343
  exemption, firefighter pensions – HB 649
License plates for volunteer firemen – HB 2
Pensions
  board, cities of first – HB 875
  system revision – HB 79
  urban counties – HB 375
  urban county, cost-of-living increase – HB 376
Platoons, cities of 3rd and 4th – HB 511
Reinstatement to department – HB 467
Second class city disability and survivor benefits – HB 721
Third and fourth class city survivor benefits – HB 722
Woerner, Steve, resolution honoring – HR 39

FIRE PREVENTION
Arson
  definition and penalties—HB 546
  immunity for insurance companies—HB 106
Boiler and pressure vessel safety—HB 786
Commission on fire protection, membership—SB 216

FISH AND WILDLIFE
Blackbirds, action against by state—HR 73
Beaver bounties, appropriation for—HB 625
Commerical fishing gear tags—HB 597
Fish and game fund, investment interest to—HB 576
Fish and Wildlife Commission, membership candidate selection—HB 445
Fishing license not required—HB 11
License
  not required for disabled—HB 536
  permanent for aged—HB 254
Red fox, taking of restricted—HB 256, 261, 262
Taking wildlife with special devices, penalty—HB 306
Trapping regulations, review requested—HR 117
Traps, unlawful use—HB 322

FLOOD CONTROL AND WATER USAGE
Disaster and emergency services jurisdiction—HB 690
Flood damage abatement program, community eligibility—HB 177
Flood plain building codes—HB 715
Flood plain management, public information, program for—HB 481
Floodproofing, incentives study—HCR 37
Locking and dredging of Kentucky River—HR 153
Safety inspectors of dams—HB 559
Taylorsville Lake Project—HR 157
Water resources
  advisory commission created—HB 296
  authority effectiveness—HCR 107

FOODS
Milk marketing, fair trade repeal—HB 274

FOSTER, LEWIS
HR 41, 77, 144; HB 101, 103, 104, 105, 106, 107, 179, 187, 222, 251, 258, 265, 300, 378, 382, 397, 433, 458, 492, 532, 543, 570, 605, 629, 651, 669, 676, 678, 838, 874
Voting modifications—SB 240Y, p. 2831

FREIBERT, PAT
HR 7, 33, 38, 41, 50, 77, 86, 96, 144; HB 127, 187, 209, 387, 492, 552, 717, 945, 963
Voting modifications—HB 499Y to N, p. 1025

FRYMAN, RICHARD
HR 41, 50, 64, 77, 113, 144; HB 4, 15, 31, 96, 125, 187, 265, 322, 349, 364, 378, 383, 440, 445, 452, 460, 469, 474, 570, 766

FUEL
Alternate energy sources study—HR 123
Chemical/Energy Park Authority—SB 245
Coal
  industrial and state use—HJR 8
  promoting industrial use—HB 468
Energy cost assistance
  appropriation—HB 180
  program, repeal of—HB 666
  programs, expression of displeasure concerning—HR 68
  study—HR 115
Farm trucks, exemption from special fuel tax—HB 382
Federal motor fuels tax increment, allocation of—HCR 26
Gasohol
  alcohol production facilities, tax exemptions—HB 75

FUEL (Cont'd)
  production in Kentucky—HB 962; HR 29
  promotion—HB 838
  requirement—HB 903
  tax, excise on wholesale price—HB 973
Gasoline pricing study—HR 132
Motor fuels
  excise tax, exemption, penalty concerning—HB 810
  use license, farm commodity haulers' exemption—HB 198
Oil and gas, windfall profit tax—HB 958
Self-service fuel pumps, assistance for handicapped—HB 263
Solar energy
  coordinating council—HB 54
  systems, property tax on—HB 184
Tax exemptions
  on gasoline used in off-road coal machinery—HB 28
  taxicab fuel tax exemption repeal—HB 773
Utility and manufacturing plants' conversion to coal—HCR 9
Utility fuel adjustment clause elimination—HB 6

GAMBLING
Charitable gaming, exemption as gambling—HB 591
Constitutional lottery prohibition, bingo exemption—HB 323
Harness track owners, commission to—HB 513
Kentucky Derby Lottery amendment—HB 386
State lottery authorization—SB 125

GENERAL ASSEMBLY
Acts of, availability of free copies—HB 896
Adjourn sine die—SCR 84
Adjournment—HR 12, 45, 53, 56, 64, 77, 85, 95, 99, 100, 142, 149
Administrative regulations, review—HB 65
Bills, voidance for errors—HB 84
Board of Ethics, appropriation—HB 292
Bonded Indebtedness Oversight Subcommittee—HB 680
Brown, John Y., Sr.
  a resolution honoring—HR 55 invitation to—HR 44
Capital construction, approval of—HB 514
Capitol Annex
  control of—HB 572
  parking structure, control of—HB 162
  space—HB 528, 717
Committees, appointment of—pp. 13-19, 998, 1153, 1265
Constitutional employes, compensation—SB 99; election—p. 8
Court rule making, legislature participation—HB 228
Chief Justice, invitation to—HCR 35
Chuck Hardwick Award—HR 71
District courts, control by General Assembly—HB 615
Energy cost assistance program response—HR 47
Expense allowances reduction—HB 312
Federal funds, legislative approval and appropriation process—HB 410
Fiscal notes on bills, requirement for—HB 81
Flag of U.S., pledge of allegiance—HR 14
Governor
  appointment, Senate confirmation—HB 29
  committee to wait upon—HR 10, 101
Graham, Clyde Daniel, investigation concerning—HR 18
House districts
  50 and 55—HB 271
  89 and 91, boundary determination—HB 879
Income tax deduction for legislators—HB 167
Kahn, Alfred, commending—HR 54, 60
Kentucky Voluntary Effort Health Care Cost Containment—SCR 23

GENERAL ASSEMBLY (Cont'd)
KET, coverage of 1980 session—HR 155
Legislative Research Commission director, selection and removal—HB 891
LeMaster, Rep. Jim, congratulating—HR 147
Library and Archives, personal service contract investigation—SJR 11
Lobbyists, investigation of—HB 685
Majority leadership—p. 9
Members
  leave credit as state employes—HB 518
  list of—pp. 1-8
  per diem and retirement—SB 102
  terms of office amendment—HB 354
Minority leadership—p. 9
National Negro History Week—HR 63
Pastors, invitation to—HR 11
Personal service contract investigation committee—HJR 15
"Piggybacking," voidance of enactment following—HB 3, 255
Program review and investigations committee, meetings, powers—HB 363
Reports, forwarded to members upon request—SB 147; HB 495
Retirement survivor benefits—HB 265
Rules
  49, amendment of—HR 70
  52, amendment of—HR 48
  adopt permanent—HR 17, p. 61
  adopt temporary—HR 13, p. 10
  committee—pp. 39, 40, 74
Smith, Rep. Frank, outstanding young man—HR 82
Study commissions, testing prospective members—HB 794
Vacancy, special election filing—HB 425

GOVERNOR
Absence from the state, definition—HB 143
Appointments, confirmation by Senate—HB 29
Budget, executive biennial—HB 931
Budget message—pp. 908-911
Disability, determination of—HB 145
Election terms, powers—HB 914
Executive orders on reorganization, ratification—SB 376
Great River Road Division of Governor's Office—HB 846
Mansion Commission—HB 913
Save the Children Day, official designation of—HR 72
State of the Commonwealth message—pp. 20-26
Study commissions, testing prospective members—HB 794

GRAIN
Grain for ethanol production—HB 962

GRAY, J. R.
HR 25, 41, 77, 88, 95, 113, 127; HB 251, 341, 349, 367, 368, 388, 455, 459, 483, 491, 500, 549, 578, 597, 603, 615, 636, 637, 638, 639, 640, 641, 717, 744, 767, 831, 838, 874, 949, 950

GUARDIANS
Omnibus revision—HB 974
Surety, not required for relatives of incompetent—HB 229

GUENTHNER, LOUIS R., JR.
HR 7, 41, 49, 50, 64, 99, 144; HB 32, 108, 187, 219, 247, 248, 307, 321, 348, 354, 374, 383, 404, 405, 424, 510, 532, 618, 767, 859, 908, 918, 972
Voting modifications—HB 21Y, p. 170; HB 42Y, p. 170; HB 84Y, p. 170; HB 117Y, p. 170; HB 236Y, p. 2831; HB 532Y, p. 2737

HAERING, HAROLD
HR 7, 16, 26, 33, 38, 41, 50, 75, 77, 103, 130, 144; HB 11, 20, 32, 38, 53, 96, 99, 108, 116, 125, 126, 141, 187, 240, 247, 248, 300, 315, 341, 348, 364, 387, 412, 492, 510, 554, 585, 618, 624, 666, 792, 859, 868, 898, 908, 938, 955, 972

HANCOCK, C.M. "HANK"
HR 26, 37, 41, 64, 77, 136, 142, 148, 153; HB 74, 93, 142, 250, 251, 296, 371, 429, 433, 481, 482, 503, 526, 565, 574, 631, 655, 678, 717, 724, 794, 795, 796, 805, 813, 838, 857, 881, 885, 892, 899, 928, 930, 931, 968, 969, 971, 972, 973
Elected Speaker Pro Tem — p. 8

HANDICAPPED PERSONS
Board of Housing, Buildings and Construction, membership on — HB 82
Buildings, accessibility of — HB 659, 922
Crimes against — HB 475
Developmentally disabled persons, group homes licensure — HB 848
Disabled voters, manner of voting — HB 348
Electricity rates definition — HB 745
Homestead exemption
  extension — HB 4, 241
  extension to disabled — HB 213, 272
  for disabled persons — HB 109
Hunting and fishing without license — HB 536
Insurance, prohibit failure to issue because of disability or use of adaptive devices — HB 764
Mass transit programs for handicapped — HB 781
Motor vehicle operator's license, persons with seizure condition — SB 329
Motor vehicle parking decals — HB 38
Omnibus revision — HB 974
Parking prohibited in front of sidewalk ramps — HB 417
Print handicapped, radio broadcasts to — SB 173
Public transportation, reduced fares — HB 299
Real estate sales for incompetents, proceeds investment — HB 385
Rehabilition acts, state's compliance with — SB 275
Self-service fuel pumps, assistance for handicapped — HB 263
Telephonic aid for the speech and hearing impaired — HB 5
Visually impaired, definition of — SB 196; HB 655
Voting place accessability — SB 150

HEAD, ROY JOE
HR 8, 9, 26, 41, 77, 83, 87, 144; HB 123, 187, 199, 258, 265, 347, 349, 374, 543, 717, 838

HEALTH AND MEDICAL SERVICE
Abortion
  after first trimester, hospital performance — HB 315
  county regulation of — HB 277
  day of mourning for — HR 33
  performance — HB 90, 364
  procedures, omnibus revision — HB 927
  prohibit aid for — HB 125
Alcoholism treatment and rehabilitation — SB 214; HB 755
Ambulance service
  helicopter ambulance service study — SJR 8
  requirements for — SB 66
  special districts for — SB 45
Bird roosts, decontamination for histoplasmosis — HB 600
Blood banks, procedures concerning — HB 709
Cancer commission membership — SB 233
County health board, dental hygenist member — HB 455
Death, determination of — HB 832

HEALTH AND MEDICAL SERVICE (Cont'd)
Dentures, medical assistance notification regarding — HB 214, 215
Denturists, licensing of — HB 541
Emergency medical center, study of need for — HR 96
Emergency medical technician
  employment in mines — HB 855
  restriction on certification of — HB 362
Emergency medical treatment liability exemption — HB 36, 366, 387
Glue and paint, restrictions on — SB 283; HB 53, 97
Good samaritan law, firefighters and rescue personnel added — HB 776
Health
  facilities, certificate of need and licensure — SB 340
  insurance, continuation of group coverage — SB 270
  insurance, optional home care coverage — HB 402
  services and facilities, certificate of need and licensure — HB 944
Immunizations, parental objection to — HB 293
Insurance
  conversion from group to individual policy — SB 247
  group policies and coverage for alcoholism — SB 357; HB 951
  hospital nursery care for newborn — SB 46
  review of complaints by commissioner — HB 816
Jail inmates' medical care — HB 546
Kentucky Voluntary Effort Health Care Cost Containment — SCR 23
Laetrile, legalize use of — HB 624
Marriage license, blood test requirement repeal — HB 778
Medicaid payments to optometrists — HB 538
Medical assistance
  physician participation — HCR 22
  study — HR 109
Medical residencies, free-standing-HB 139
Medically indigent, appropriation to U of L — HB 618
Medicare supplement insurance, regulations — HB 179
Mental disorders, insurance coverage for treatment of — HB 556
Mental health — HB 906
Organ removal authority — HB 158
Physicians
  assistants, certification — SB 114
  equal payments for medical assistance — SB 53; HB 338
  resident training — HB 150
Podiatrists, hospital staff privileges for — HB 371
Prescription medicine, sales tax exemption — HB 7
Public health debts, medicaid payments for — HB 777
Rape examinations and treatment, payment for — HB 632
Rubella and rubeola testing requirement — HB 127
Social workers, insurance reimbursement of — HB 374
Sovereign immunity of U.K. medical center, waiver of — HB 849
Spouse abuse shelters — HB 33

HELERINGER, BOB
HR 7, 18, 32, 41, 50, 66, 72, 77, 130, 144; HB 1, 2, 4, 5, 19, 20, 33, 65, 74, 99, 172, 187, 190, 191, 227, 228, 229, 230, 237, 248, 249, 252, 253, 254, 263, 264, 265, 274, 276, 277, 289, 290, 291, 294, 299, 311, 312, 313, 314, 315, 323, 328, 348, 364, 365, 412, 413, 424, 465, 510, 520, 521, 529, 593, 618, 624, 659, 685,

HELERINGER, BOB (Cont'd)
717, 829, 851, 859, 908, 919, 925, 927, 933, 934
Voting modifications — HB 20Y, p. 2831; HB 98Y, p. 209; HB 416Y, p. 700

HIGHWAYS, STREETS AND BRIDGES
Billboards removed by local government — HB 955
Claims upon coal severance or processing tax proceeds — HB 837
Construction by state employes — HB 47
County and municipal road aid increment — HB 154
Covered bridge preservation — HB 245
Crushed stone contract adjustment request — HR 152
Driving in the left lane — HB 165
Economic development roads, creation of — HB 969
Establish state primary and secondary road system — HB 212
Energy and coal impact road fund — HB 797, 917
Farm equipment on highways, permit for — HB 525
Federal motor fuels tax increment, allocation of — HCR 26
Handicapped person's parking decals — HB 38
Interlocal Road Clearance Agreement — HB 681
Maintenance contracts, completion priority — HB 46
Mississippi River Parkway Commission created — HB 846
Noxious weeds, eradication — SB 7
Public assistance recipients, work for — HB 792
Public road districts, establishment by counties having cities of the fourth class — HB 303
Public ways in cities — SB 20
Rural and municipal aid program study — HCR 106
Rural and municipal roads, division of — HB 757
Signs on highways — HB 760
Special energy road fund, creation of — HB 854
State primary system elimination, county — SB 68; HB 826
Trucks susceptible to spillage, cover requirement — HB 372

HINES, CARL R.
HR 26, 41, 43, 58, 76, 77, 109, 130, 144; HB 91, 137, 152, 163, 166, 191, 249, 252, 265, 299, 341, 348, 374, 378, 402, 412, 440, 443, 450, 451, 510, 618, 717, 725, 785, 859, 875, 908

HISTORICAL AFFAIRS
Archaeology, creating office of state — HB 275
Blue Licks State Park, bicentennial program — HJR 21
Covered bridge preservation — HB 245
Historic farmland — HB 119
Historic property, tax credit — HB 34
Kentucky landmark preservation program — HB 188, 189
Museums, donated items, illegal transfers — HB 308

HOLBROOK, CHARLES R. III
HR 41, 50, 64, 77, 138, 139. 144; HB 19, 23, 42, 43, 49, 59, 61, 64, 94, 108, 116, 153, 187, 195, 210, 241, 397, 418, 424, 429, 439, 460, 492, 498, 526, 544, 546, 594, 624, 651, 705, 717, 783, 792, 818, 838, 894, 959

HOLLOWAY, EDWARD
- HR 41. 50, 77, 113, 130, 144, 156; HB 108, 187, 337, 348, 358, 359, 360, 361, 362, 416, 440, 492, 498, 510, 532, 544, 618, 620, 621, 624, 679, 705, 717, 807, 838, 859, 863, 875, 908, 972

HOME RULE
- Cities, authorization for—SB 41

HOSPITALS AND NURSING HOMES
- Abortion
  - after first trimester, hospital performance—HB 315
  - performance prohibition—HB 364
- Emergency medical center, study of need for—HR 96
- Health services and facilities, certificate of need and licensure—SB 340; HB 944
- Nursery care, insurance coverage for newborn—SB 46
- Podiatrist, hospital staff privileges for—HB 371

HOUSING, BUILDINGS AND CONSTRUCTION
- Board of Housing, Buildings and Construction, membership—SB 153; HB 82, 437
- Building code officials, qualifications of—HB 691
- County bonds for housing—HB 817
- Flood plain building code—HB 715
- Historic property, tax credit—HB 34
- Homeowners' insurance, minimum amount—HB 434
- Housing associations, reserves exempt from corporate income tax—HB 173
- Kentucky housing corporation board of directors—HB 60
- Loan fund—HB 62, 888
- Local government, department of, liaison with federal agencies for housing programs—SB 361
- Low-rent, study of—HCR 66
- Mobile homes, sales and use tax exemption—HB 542
- Savings and loan associations, home improvement and mobile home loans—HB 498
- Site acquisition, notice by housing authorities—HB 851
- Tax increment financing, housing rehabilitation—HB 912
- Thermal efficiency standards—SB 338

INCOME TAX
- Adjusted income for federal taxes, tax on—HB 902
- Check-off of nature preserves—SB 124
- Corporate income tax
  - state-federal conformity; revision—HB 499
  - apprenticeship programs credit—HB 266
- Credit
  - for expenses of work incentive programs—HB 606
  - for renters aged 65 or over—HB 943
  - for solar equipment—HB 209
- Delinquencies, interest and penalty increment—HB 648
- Exemptions
  - for aged persons—HB 871
  - federal military retirement annuities—HB 193, 264, 331
  - historic property credit—HB 34
  - housing associations, reserves exempt from corporate income tax—HB 173
  - interest—HB 411
  - pension or retirement annuities—HB 599
  - police and firefighter pensions—HB 649
- Interest paid on refunds—HB 748
- Legislators' expense deduction—HB 167
- Libraries, income tax check-off for—HB 492
- Local government retirement annuity exclusion—HB 772

INCOME TAX (Cont'd)
- Solar energy equipment credit—HB 183
- State/federal conformity—HB 160, 633
- Volunteer firefighters, credit—HB 343

INHERITANCE TAX
- Agricultural value of real estate for inheritance tax purposes—SB 133; HB 391
- Assessment of agricultural land—HB 283
- Certificate of deposit, presumptions as to contemplation of death—HB 650
- Delinquencies, interest and penalty increment—HB 648
- Exemptions—SB 181; HB 116, 300
- Inheritable interest of surviving spouse—HB 650

INSPECTIONS
- Building code inspector qualifications—HB 695
- Dam safety—HB 559
- Safety inspections for railroads—HB 444

INSURANCE
- Agents
  - company's responsibility for acts of—HB 587
  - exempt from examination—HB 833
  - license, instruction required—HB 484
  - qualifications for license—HB 642
- Arson, definition and penalties—HB 546
- Automobile
  - citation for no sticker—HB 700
  - coverage, prohibit premium increase for accident in employer's automobile—HB 535
  - distribution of counterfeit sticker—HB 834
  - insurance provider, state—HB 950
  - liability, cancellation of—HB 286
  - liability coverage, increase minimum requirements—HB 708
  - prohibit nonrenewal because of age—HB 104
  - rejection of no-fault—HB 692
  - six-month policies—HB 485
- Chiropractors, insurance reimbursement of—HB 491
- Combined stock and mutual insurer, authorization of—SB 231
- Companies
  - immunity for release of information on arson—HB 106
  - investments in obligations of directors and officers—HB 397
- Credit life and health, rates—HB 669, 886
- Creditors and general agents, payment by insurers—HB 886
- Department of insurance, fees payable to—HB 850
- Discrimination, prohibit because of disability or use of adaptive devices—HB 764
- Domestic stock insurer
  - acquistion of equity securities—SB 237
  - defined—HB 627
  - merger and consolidation of—HB 239
- Fire loss records for municipalities—HB 526
- Fire, payment of interest on proof of loss—SB 32
- Fire policies, claim proceeds subject to tax liens—SB 305; HB 676
- Flood, participation required for state abatement funds—HB 177
- Health
  - conversion from group to individual policy—SB 247
  - group continuation of coverage after employment separation—SB 270
  - group policies and coverage for alcoholism—SB 357; HB 951
  - hospital nursery care for newborn—SB 46
  - insurance, review of complaints by commissioner—HB 816
  - policies, home care option—HB 402
  - uniform claim forms—SB 40; HB 339

INSURANCE (Cont'd)
- Homeowners
  - full reimbursement of replacement value—HB 406
  - minimum amount—HB 434
  - payment for total loss of personal property—HB 41
- Industrial life insurance
  - agents, quotas for—HB 441
  - cash surrender value notice—SB 109
- Insurance premiums tax, exemption for annuity premiums—HB 9
- Kentucky Insurance Regulatory Board
  - duties reassigned to Commissioner of Insurance—HB 603
  - hearings required for any rate increase—SB 170
  - membership—HB 335
- Language on check releasing insurer from liability—HB 122
- Life, replacement of—HB 874
- Medical assistance, coordination of benefits—SB 205
- Medicare supplement policies, regulation—HB 179
- Mental disorders, coverage for treatment—HB 556
- Mortgage redemption insurance, limited agent's license for—SB 206
- Motor vehicle
  - exclusion from coverage—HB 407
  - cancellation prohibition—HB 30
  - rates based on driving record—HB 289
  - recovery of benefits—HB 713, 788
  - stickers for self-insurers—SB 280
  - tort actions concerning—HB 711
  - underinsured motorists coverage—HB 712
- Municipal premium tax, collection fee—HB 611
- Premiums
  - extension of credit—HB 886
  - payment of grade period, extension—HB 442
- Rate increases offset by investment income—SB 170
- Recovery of benefits, expenses paid by insurers—HB 761
- Retirees, KERS, group hospital insurance premiums—HB 234
- State employes hospitalization coverage study—HR 88
- Social workers, insurance reimbursement of—HB 374
- State agencies, liability for acts or omission of officials—HB 579
- State structures in flood plains, insurance on—HB 482
- Taxation, foreign life insurance company premiums—HB 58
- Uninsured motorists, vehicle coverage—HB 710
- Workmen's compensation
  - audits of employer's classifications by—HB 334
  - comprehensive revision—HB 532
  - insurance companies' reports—HB 21
  - insurance provider—HB 349, 950
  - insurance rating systems, experience effect—HB 278
  - special fund contributions—HB 705
- "Workmen's" to "Workers'"—SB 15

INTEREST AND USURY
- Banks, rates on installment loans—SB 143
- City electric plant bonds, limit removal—HB 430
- Fire insurance, earned on proof of loss claimed—SB 32
- Interest
  - on loans of $15,000 or less—HB 159
  - paid on refunds—HB 748
- Loans of $15,000 or less—SB 75; HB 268
- Savings and loan associations, home improvement and mobile home loans—HB 498

INTERLOCAL COOPERATION
Area planning commissions, powers of — HB 519
Interlocal Road Clearance Agreement — HB 681

INTERSTATE COOPERATION
Southern Interstate Nuclear Compact, changed to Southern States Energy Board — SB 386
Southern Growth Policies Agreement — SB 284

ISLER, JOHN J.
HR 41, 77, 79, 94, 144; HB 91, 109, 130, 180, 187, 265, 307, 323, 332, 341, 349, 374, 455, 480, 498, 508, 537, 591, 717, 767, 772, 874, 908
Voting modifications HB 63Y, p. 410; HB 71Y, p. 410; HB 137Y, p. 410; SB 26N, p. 2478

JAILS AND JAILERS
CERS certification for hazardous duty - HB 298
Dieting fee increment for county jails — HB 804
Medical care for indigent prisoners — HB 564
Misdemeanants, release of from jail — SB 77
Omnibus revision — HB 939
State operation of jails — SB 278; HB 758, 953

JOHNSON, LOUIS
HR 41, 77, 99, 143, 144; HB 8, 10, 125, 131, 187, 240, 279, 280, 281, 282, 324, 364, 374, 388, 440, 533, 651, 823, 824, 838

JONES, ROBERT A.
HR 15, 41, 43, 64, 146, 153; HB 102, 128, 129, 159, 231, 232, 233, 258, 303, 336, 381, 458, 508, 592, 605, 635, 717, 724, 748, 828, 838, 857, 868

JUDGES AND COMMISSIONERS
Additional judges, certification of need for -- pp. 47, 48
Circuit judges, additional - SB 141; HB 68, 260, 489
County judges/executive, acts of General Assembly to — HB 896
Deputy county judge/executive not member of fiscal court — HB 134
District court trial commissioners' salary limit — HB 505
District judges, additional — SB 141; HB 69, 72, 409, 486, 489
District judges, number of — HB 250
Grand jury proceedings, conduct and recording of — HB 935
Judicial retirement, service credit for special circuit judge service — SB 288
Jury sentencing, replacement by judge sentencing — HB 635
KERS coverage for trial commissioners — HB 17
Lawrence and Martin counties, new circuit and district judges for — HB 423, 527
Open meetings requirements — HB 413
Pretrial release, restrictions on — HB 43
Retirement, cost of living increases — HB 573
Retirement system, vesting — SB 362
Salaries, cost-of-living increases — SB 102; HB 399

JUDICIAL CIRCUITS
Circuit judges, additional — HB 68

JUNKYARDS
Amend various provisions relating to — HB 806
Farm equipment, exempt as vehicles — HB 346
Junkyard statutes, unconstitutional, reenactment of — SB 332
Recyclers, definition of — HB 226

JURIES AND JURORS
Grand jury
  statewide — HB 769
  uniform instruction about duties — HB 966
Jury sentencing, replacement by judge sentencing — HB 635

JUSTICES AND MAGISTRATES
County commissioners, at large nomination — HB 502
Fiscal court
  election for magistrates on — HB 585
  membership amendment — HB 665
Mileage expense reimbursement — HB 258

KENTON, WILLIAM G.
HR 53, 64, 96, 100, 104; HB 321, 385, 633, 717, 725, 825, 828, 838, 857, 891, 931, 968, 969, 970, 971, 973
Elected Speaker — p. 8

KIDD, MAE STREET
HR 41, 58, 63, 65, 77, 130, 144; HB 53, 60, 62, 97, 104, 133, 166, 191, 265, 274, 299, 348, 349, 412, 457, 510, 618, 642, 652, 700, 717, 764, 765, 785, 908
Voting modifications — HB 583Y, p. 2478; HR 82Y, p. 629

LABOR
County police, collective bargaining by — HB 549
Court appearances by employes — HB 645
Gratuities added to billing, payment to employes — HB 377
Income tax credit for expenses of work incentive programs — HB 606
Job discrimination, national guardsmen — HB 63
Labor-management Advisory Council, membership terms — HB 644
Lunch period definition — HB 637
Marriage of co-employes, prohibit discharge for — HB 521
Minors, employment of — HB 923
National guard duty, employe leave without penalty — SB 152
Overtime compensation provisions, exemptions — HB 337
Payroll deductions for union dues, cities and urban counties — SB 304; HB 744
Polygraph examinations prohibition — HB 164
Pregnancy, discrimination by employers — HB 520
Prevailing wage
  definition — HB 724
  exemption in cities of the 4th-6th — HB 222
  localities and hearings — HB 629
  localities alignment — HR 111
  on public works — HB 739
  public works, exemptions — HB 223
  study — HR 146
Public employes
  bargaining — HB 949
  union dues check-off — HB 18
Rest periods requirement — HB 638
Sex discrimination prohibition — SB 14
Strikebreakers, prohibit hiring — HB 509
Subpoenas of Commissioner of Labor — HB 647
Teachers, collective bargaining for — HB 551
Tipped employes, definition of — HB 640
Unemployment compensation
  benefits, qualifications for — HB 483
  omnibus revision — HB 864
Unemployment insurance, rate schedule correction — HB 612
Wage and hour definitions — HB 836, 924
Wage deduction statements — HB 646
Wages of separated employes, payment of — HB 639
Workmen's compensation
  assessment against self-insured employers — HB 689

LABOR (Cont'd)
  audits of employer's classifications by — HB 334
  covered employment — HB 827
  injury records, penalty for violation — HB 636
  insurance provider — HB 349, 950
  insurance rating systems, experience effect — HB 278
  omnibus revision — HB 532, 623
  special fund contributions — HB 705
  study resolution — HJR 24

LANDLORD AND TENANT
Eviction actions — HB 807
Uniform act — HB 398, 504

LAND USE
Corporation farming, limitation on — HB 473
Industrial sites, loans — HB 121
Shale mining, zoning restriction of - HB 815

LAYMAN, RONNY
HR 41, 50, 64, 7, 119; HB 108, 127, 153, 187, 265, 383, 388, 403, 418, 452, 460, 474, 605

LEGAL ACTIONS
Abortion injuries, limitation of actions — HB 933
Abused spouse; protective orders — HB 87
Appeals, untimely, prohibit dismissal — HB 175
Bank, depositors' records, delivery in response to subpoema — HB 571
Bankruptcy, prohibit election of federal exemptions — S.B 31; HB 153
Birth certificate, access by adult adoptee — SB 282
Comparative fault, uniform act — HB 617
Comdemnation
  compensation for good will — HB 820
  of way out of landlocked property — HB 446
Controlled substances actions, reputation as evidence — HB 221
Claims, board of; appeal from decision of — SB 363
Death, definition — HB 832
Divorce
  actions, waiting period for testimony, child's involvement — HB 42
  custody proceedings — HB 814
Emergency medical treatment liability exemption — HB 36, 366, 520
Eminent domain actions, fees in — SB 157
Eviction actions — HB 807
Good samaritan law, firefighters and rescue personnel added — HB 776
Guardians and conservators, omnibus revision — HB 974
Incompetency proceedings, jurisdiction — HB 714
Legal process tax, delete exemption on mortgages less than $200 — HB 208
Levy on real estate in district court judgment enforcement — HB 280
Libel/slander, cause of action for — HB 318
Liens
  attorney's fees, in enforcement of — HB 449
  boats and motor vehicles — HB 959
Limitation of actions — HB 370
Medical information release authorization — HB 893
Mine rescue team, not liable for civil damages -- HB 675
Nuisance suits against agricultural operations, limitation on -- HB 909
Parole board members, liability for parolee's acts — HB 243
Polygraph examinations prohibition - HB 164
Recovery of insurance benefits, expenses paid by insurers — HB 761
Small claims
  division venue — HB 941
  number of filings allowed - HB 452
  venue of action — SB 271

LEGAL ACTIONS (Cont'd)
Sovereign immunity of UK medical center, waiver of – HB 849
State deemed defendant in tort actions against state employes – HB 884
Statutory construction, recovery on behalf of unborn human being – HB 934
Subpoenas of Commissioner of Labor – HB 647
Termination of parental rights records, access – SB 282
Trespass damage actions – HB 869
Unincorporated association or organization, service of process on – HB 929
Water resources, administrative hearings on – SB 213

LEGISLATIVE RESEARCH COMMISSION
Administrative regulation review – HB 12, 65, 123, 460
Air pollution measurements study – HR 154
Appropriation
  biennial – HB 857
  for session expenses – HJR 27
Bonded Indebtedness Oversight Subcommittee – HB 680
Capital construction fund, audit of – HJR 89
Capitol Annex
  control of – HB 572
  space – HB 528, 717
  parking structure, control of – HB 162
Christian schools, tax support study – HCR 79
Coal
  imported by power generation plants, study of – HCR 78
  region power plant development committee – HCR 126
  utilization task force – HR 87
Director, procedure for selection and removal – HB 891
Dual prosecution study – HJR 121
Energy cost assistance investigation – HCR 16
Flood proofing, incentives study – HCR 37
Helicopter ambulance service study – SJR 8
Juvenile code study – SJR 55
Law library
  furnishing books – HB 937
  resources evaluation – HR 84
Licensing boards, review and evaluation – HR 110
Medical assistance study – HR 109
Mineral estate vs. surface estate study – HCR 20
Nuclear issues, advisory committee on – HCR 4
Personal service contract review – HB 13, 102
Prevailing wage study – HR 146
Program review and investigations committee, meetings, powers – HB 363
Property tax
  alternatives study – HR 139
  installment payment, study of – HCR 44
Railroad Commission and Department of Transportation responsibilities, study of – HCR 105
Reports, notice of availability to members of General Assembly – SB 147; HB 495
School district tax sources, study of – HR 5
Solar Energy Advisory Committee created – HCR 42
Small coal operator programs study – HCR 118
Small business development, study task force – HJR 104
Staff, recognition of – HR 151
Study commissions, testing prospective members – HB 794
Thoroughbred racing, study of – HR 102; HCR 42, 94
Waste statutes, study of – HCR 81
Water sources authority – HR 107, 108

LeMASTER, JIM
HR 41, 75, 76, 90, 96; HB 84, 85, 86, 87, 88, 89, 92, 123, 155, 316, 321, 389, 411, 472, 505, 506, 507, 511, 535, 540, 550, 573, 575, 603, 605, 617, 693, 717, 828, 829, 857, 890, 904

LEWIS, PHILLIP
HR 30, 50, 77, 87, 144, 153; HB 66, 72, 187, 260, 364, 365, 383, 388, 474, 489, 590, 717, 718, 798, 799

LIBRARIES
Archival material and records, omnibus revision – HB 877
Cities of second through sixth classes, dissolution – HB 439
County law libraries – SB 365
County law librarian, appointment by circuit judge – HB 727
District
  board membrs – HB 439
  formed by petition, repeal of provisions – HB 907
Income tax check-off – HB 492
Law library
  books maintained, exchange program – HB 937
  resources evaluation – HR 84
Personal service contract investigation committee – SJR 11; HJR 15
Special district, dissolution and tax rate decrease – HB 107
State law library – SB 365
State Library and Archives Board – HB 302
Theft of materials – HB 866
Urban Libraries, supplemental funds for – HB 859

LICENSING
Ad valorem taxes and license fees – HB 840
Alcoholic beverage
  appeal of license revocations – HB 619
  at private clubs – HB 789
  licensees, dance contests on premises – SB 43
  premises, distance between – HB 720
Architects and engineers – HB 414
Architects, exemptions for – HB 344
Auctioneers, licensing examination, written or oral – HB 737
Barber
  and instructors – HB 332
  apprentices, number of – HB 608
  schools, students per teacher – HB 803
Boxing and wrestling promotion license – HB 594
Cable television systems licensure – HB 961
Certified public accountants, requirement experience deletion – HB 654
Commerical fishing gear tags – HB 597
Cosmetologists board, membership – HB 936
Counselors, licensing of – HB 288
Dental laboratory technicians – SB 193
Denturists, licensing of – HB 541
Developmentally disabled persons, group homes licensure – HB 848
Electricians, certification for underground coal mining – HB 754
Embalmers and Funeral Directors, State Board, appointments – HB 163
Engineering, definition of – HB 219
Farm equipment on highways, permit for – HB 525
Fishing license not required – HB 11
Hairdressers and cosmetologists, license fees for – HB 738
Handgun purchase permit requirement – HB 496
Health services and facilities, certificate of need and licensure – SB 340; HB 944
Hunting and fishing licenses, free to aged – HB 254
Insurance agents
  exempt from examination – HB 833
  fees increment – HB 850

LICENSING (Cont'd)
  instruction required – HB 484
  limited license for – SB 206
  qualifications – HB 642
Junkyards, farm equipment exempt as vehicles – HB 346
Licensing board
  members, mandatory training for – HB 844
  boards, review and evaluation – HR 110
Livestock dealers, licensure – HB 380
Marriage license
  blood test requirement, repeal – HB 778
  license fees – HB 33
  waiting and blood test exemptions – HB 408
Miner retraining, reporting of – HB 853
Moped, include motorized bicycle with electric starter in definition of – HB 881
Motor carriers, registration plates for farm trucks – HB 530
Motor fuels use license, farm commodity haulers' exemption – HB 198
Motor vehicle
  certificate of title – SB 236; HB 99, 630
  inspection on initial registration – HB 203
  learners permit, extend validity period of – SB 246
  license plates for civil defense members – HB 440
  license plates, special, issue and location – HB 426
  license, temporary, use of – SB 298
  occupational driver's license, creation of – HB 459
  one-year registration period – HB 120
  operators, issue by county clerks – HB 202
  operators license
    for Vietnam veterans – HB 447
    name used on – HB 592
    persons with seizure condition – SB 329
    prohibit persons using compound lens system – SB 135
    revocation or denial for operation under drug influence – HB 824
    space of listing drugs – HB 217
    suspension of – HB 558
  operators
    medical review board – SB 136
    renewal period – HB 211
  permit to transport coal – HB 854
  plates, county name requirement – SB 1
  registration
    and licensing procedures – SB 381
    for amateur radio operators – HB 23
    by dealers ownership transfer – HB 22
    for former POW's – SB 4; HB 735
    plates to remain with owner – HB 537
    year-round – HB 584
  volunteer firemen license plates – HB 2
Nursing, continuing education activities – HB 842
Permitting hazardous material transport – HB 863
Pharmacists and pharmacies – HB 671
Physical therapists – HB 155
Physicians' assistants, certification – SB 114
Private clubs, discriminatory, alcoholic beverage licensure – HB 166
Private police and detectives, licensing of – HB 948
Psychologists
  certification – HB 548
  examinations and fees – HB 952
Recyclers, omnibus revision – HB 806
Review of proposals for regulation of occupations – HB 239
Septic tank installers, licensing of – SB 296
Shot firers, certification – HB 852
Social service aide, registration – HB 403
"Sunset" for licensing boards – HB 238

LIENS
Auctioneers and real estate brokers, liens for services rendered – HB 867
Boats and motor vehicles – HB 959

LIENS (Cont'd)
County clerks
  failure to note lien—HB 860
  lien release option—HB 870
Fire insurance proceeds, subject to tax liens—SB 305; HB 676
Labor or material, lien filing notification period—HB 812
Materialmen's liens, omit "occupant" from statute—HB 843
Motor vehicles, transfer to spouse—HB 533
Real estate mortgages, priority of—HB 448
Tax warrants, lien enforceability—SB 265
Uniform Commerical Code—amendments to Article 9—HB 673

LIEUTENANT GOVERNOR
Absence from the state, definition—HB 143
Duties, enumeration of—HB 144
Governor's disability determination—HB 145
Mansion Commission—HB 913

LIST, HENRY CLAY
HR 41, 74, 77, 96, 100, 153; HB 9, 29, 78, 79, 80, 81, 82, 83, 102, 209, 258, 302, 336, 438, 458, 467, 532, 540, 542, 598, 605, 701, 702, 703, 717, 739, 740, 741, 807, 828, 857, 908, 922

LITTLE, N. CLAYTON
HR 26, 30, 41, 43, 64, 77, 105, 106, 107, 122, 127, 144; HB 6, 30, 31, 40, 41, 46, 52, 137, 139, 148, 150, 265, 272, 285, 286, 288, 328, 347, 349, 374, 395, 458, 470, 549, 581, 582, 583, 584, 589, 651, 675, 717, 760, 761, 797, 820, 831, 857, 882, 897, 930

LIVESTOCK, POULTRY AND ANIMALS
Animal definition, exclude birds—SB 263
Cruelty to animals, prevention of—HB 357
Dealer must deduct "check-off"—HB 901
Dogs, spaying or neutering of—HB 192
Egg promotion—SB 80
Garbage feeding prohibited—SB 76; HB 327
Livestock dealers, licensure—HB 380
Red Poll cattle, shows and sales—HB 568
Sales, implied warranty exemption—SB 29

LOANS AND CREDIT
Banks and trust companies, disclosure of examination findings—HB 657
Consumer loan and credit transaction refinancing—HB 451
Credit life and health insurance, rates—HB 669, 886
Credit unions
  authority of—HB 554
  disclosure of examination findings—HB 664
  interest rates on loans—SB 191
  regulation of—HB 802
Higher Education Assistance Authority—SB 195
Industrial
  loan companies, disclosure of examination findings—HB 643
  loan corporations, amount of loans and interest rates—HB 894
  sites, less than 25 acres—HB 121
Installment loans, interest rate—SB 143
Interest on principal of $15,000 or less—HB 268
Interest rate limit removal—SB 75
Investment companies, disclosure of examination findings—HB 697
Kentucky housing corporation—HB 62, 888
Legal process tax, delete exemption on mortgages less than $200—HB 208
Materialmen's liens, omit "occupant" from statute—HB 843
Mechanic's lien, filing notice for—HB 812
Mortgage loan companies, registration—HB 699
Motor vehicle financing statements, filing of—HB 206

LOANS AND CREDIT (Cont'd)
Petty loan companies
  amount of loans—HB 818
  disclosure of examination findings—HB 658
Real estate mortgages, priority of—HB 448
Savings and loan associations, home improvement and mobile home loans—HB 498
Student loans, provision of bonds for—SB 201

LUNDERGAN, JERRY
HR 12, 21, 25, 96, 153; HB 182, 187, 298, 308, 309, 341, 349, 375, 376, 414, 601, 651, 662, 804, 818, 880, 894
Voting modifications—HB 416Y, p. 700

MALT BEVERAGES
Ad valorem taxes and license fees—HB 840
Advertising—HB 531
Brewers, affirmation of corporate pricing policy—HB 801
License fee increases—HB 972
Wholesale pricing—HB 431

MANN, TERRY L.
HR 3, 5, 41, 43, 77, 94, 110, 115, 123, 130, 132, 137; HB 44, 91, 125, 146, 147, 166, 186, 238, 239, 265, 277, 323, 332, 349, 364, 386, 395, 398, 453, 455, 480, 498, 504, 519, 538, 555, 586, 591, 592, 619, 624, 649, 654, 671, 677, 706, 717, 721, 751, 758, 759, 840, 841, 842, 843, 844, 845, 848, 857, 908, 955

MAY, WOODY
HR 41, 56, 152; HB 418, 433, 436, 458, 605, 717, 835, 838, 857, 930, 931, 968, 969, 970, 971, 973

MAYNARD, LAWRENCE RAY
HR 41, 77, 130; HB 32, 274, 299, 332, 241, 348, 386, 406, 407, 412, 434, 471, 510, 541, 593, 618, 767, 785, 851, 859, 943

McBEE, WILLIAM
HR 14, 38, 41, 77, 90, 94, 114, 132, 137, 144; HB 91, 186, 187, 219, 265, 326, 332, 386, 388, 480, 498, 510, 538, 591, 624, 706, 821, 886, 908, 961
Voting modifications—HB 507Y, p. 1547

McKINNEY, LLOYD
HR 26, 43, 50; HB 11, 72, 99, 136, 211, 265, 273, 341, 383, 388, 489, 630, 717

McNUTT, ALICE H. "DOLLY"
HR 77, 89, 113, 144; HR 3, 60, 86, 125, 127, 211, 255, 357, 552, 592, 651, 668, 717, 838

MEMORIALS
Abortion, day of mourning for—HR 33
Breckinridge, John B.—HR 12
Brown, Elmer L.—HR 99
Busing protest day—HR 2
Cox, John Henry—HR 53
Douglas, Justice William O.—HR 32
Harris, Trooper Eddie—HR 25
Hollon, Woodrow—HR 158
Meany, George—HR 95
Niles, John Jacob—HR 100
Noplis, Winston, Jr.—HR 145
Owens, Jesse—SR 75; HR 144
Reynolds, Russell—HR 56
Sullivan, Paul P.—HR 142

MEN
Wages, sex discrimination prohibition—SB 14

MENTAL HEALTH
Developmentally disabled persons, group homes licensure—HB 848
Fishing license not required—HB 11
Hospitalization procedures—HB 906

MENTAL HEALTH (Cont'd)
Incompetency proceedings, jurisdiction—HB 714
Insurance coverage for disorders—HB 556
Psychologists, certification—HB 548

MILITARY AFFAIRS AND CIVIL DEFENSE
Camp Breckinridge, compensation of landowners, urge support for—SCR 49; HR 83
Drafting women, prohibition request—HR 62
Flooding disasters jurisdiction transfer—HB 690
National guard
  active duty pay—SB 229
  duty, employe leave without penalty—SB 152
  educational encouragement fund, increase in allowable benefits—SB 215
  job discrimination—HB 63
Veterans' affairs, center for—SB 56
Vietnam veterans' bonus—HB 74

MINING
Adminsitrative hearings, location of—HB 347
Electricians, qualifications of—HB 745
Emergency medical technician, employment in mines—HB 855
Explosives in mines, storage of—HB 753
Federal surface mining law, injunctive relief—HR 30
Man-trip—HB 752
Miner
  first-aid training—HB 719
  rescue teams, notice of availability—HB 236
  retraining, reporting of—HB 853
Mineral estate vs. surface estate study—HCR 20
Mineral production license tax—HB 351
Oil shale
  regulation of mining—HB 919
  zoning restriction of—HB 815
Registration of mineral rights held by aliens—HB 105
Rescue teams, "Good Samaritan Law" applies—HB 675
Severance tax on "natural resources"—HB 968
Shot firers, certification—HB 852
Small coal operator
  assistance to—HB 835
  programs study—HCR 118
Surface mining
  coal, omnibus revision—HB 830
  disturbance, restoration agreement—HB 244
  mining on two acres or less, regulation prohibited—HB 718

MOBERLY, HARRY
HR 31, 77, 130, 153; HB 187, 349, 378, 388, 423, 440, 489, 492, 531, 624, 717, 788, 829, 873, 907, 919

MORRIS, H. RAMSEY
HR 25, 53, 64, 125; HB 12, 21, 75, 122, 141, 142, 161, 219, 329, 374, 382, 489, 624, 630, 651, 655, 816, 838, 921, 952, 953
Voting modifications—HB 332Y, p. 422; HB 346Y, p. 422

MOTOR CARRIERS
Citations issued to operators of commercial vehicles—HB 66
Coal transportation, special permits—HB 854
Farm equipment on highways, permit for—HB 525
Farm trucks, registration of and exemptions for—HB 382
Hazardous material, transportation of—HB 112, 863
Motor fuels
  excise tax exemption, penalty concerning—HB 810

MOTOR CARRIERS (Cont'd)
  use license, farm commodity haulers' exemption—HB 198
Nuclear materials, permit required for transporting—HB 113
Overdimensional permits for transportation of heavy equipment—HB 581
Overweight carriers, penalties for—HB 799
Registration plates for farm trucks—HB 530
Registration weights for motor carriers—HB 584
Regulation, exemption from—HB 583
Soil conservation equipment haulers—SB 6
Spillage susceptibility, cover requirement—HB 372

MOTOR VEHICLES
Auto repair persons, disclosure requirements—HB 131
Bumpers, height and presence of—HB 281
Citations issued to operators of commercial vehicles—HB 66
Civil defense members, license plates—HB 440
Certificate of title law—SB 236; HB 630
Defective vehicles or repairs—HB 132
Driver improvement program—SB 148
Driving
  in the left lane—HB 165
  record abstracts, limitation to three-year period—HB 103
  while intoxicated—HB 499, 500
Emergency vehicles, warning requirements—HB 767
Emissions inspection program—SB 315
Farm equipment on highways, permit for—HB 525
Financing statements, filing time limits—HB 206
Gasohol requirement—HB 903
Handicapped person's parking decals—HB 38
Insurance
  cancellation of—HB 30, 286
  citation for no sticker—HB 700
  distribution of counterfeit sticker—HB 834
  exclusion from coverage—HB 407
  liability coverage, increase minimum requirements—HB 708
  prohibit nonrenewal because of age—HB 104
  prohibit premium increase for accident in employer's automobile—HB 535
  rates based on driving record—HB 289
  recovery of benefits—HB 713, 788
  rejection of no-fault—HB 692
  six-month policies—HB 485
  stickers for self-insurers—SB 280
  tort actions concerning—HB 711
  underinsured motorist coverage—HB 712
Investigative police vehicle license plates—HB 607
Junkyard statutes, unconstitutional, reenactment of—SB 332
Learners permit, extend validity period of—SB 246
License plates for volunteer firemen—HB 2
License, temporary, use of—SB 298
Liens—HB 860, 959
Lighted lamps, when required—HB 35
Merchantability warranty—HB 365
Mopeds—HB 881
Motor fuels use license, farm commodity haulers' exemption—HB 198
Motor vehicle registration and licensing procedures—SB 381
New vehicles, sale and merchantability—HB 751
Operators' license
  for Vietnam veterans—HB 447
  issue by county clerks—HB 202
  medical review board for—SB 136
  name used on—HB 592
  persons with seizure condition—SB 329

MOTOR VEHICLES (Cont'd)
  prohibit persons using compound lens systems—SB 135
  renewal period—HB 211
  revocation or denial for operation under drug influence—HB 824
  space for listing drugs—HB 217
  suspension of—HB 558
Occupational driver's license, creation of—HB 459
Overweight carriers, penalties for—HB 799
Parking prohibited in front of handicap ramps—HB 417
Police radio possession offense, exemptions—HB 39
Public safety vehicles, include vehicles of civilian safety organizations—HB 880
Radio amateur vehicle registration—HB 23
Recalled, unlawful sale—HB 845
Recyclers
  definition of—HB 226
  omnibus revision—HB 806
Registration
  free for former POW's—SB 4; HB 735
  initial, inspection by county clerk—HB 203
  one-year period for—HB 120
  plates, county name requirement—SB 1
  plates for farm trucks—HB 530
  plates to remain with owner—HB 537
  year-round—HB 584
School buses, use for other purposes—HB 149
Special license plates
  for former POW's—SB 4
  to be issued by department of transportation—HB 426
Taxicab fuel tax exemption repeal—HB 773
Theft of automobile or propelled vehicle—HB 621
Transfer of ownership of previously registered vehicles by dealers—HB 22
Transfer to spouse under lien—HB 533
Trucks susceptible to spillage, cover requirement—HB 372
Uninsured vehicle insurance—HB 710
Usage tax
  collection—HB 684
  exemptions—HB 205, 421
  retail price definition—HB 31
Use, unauthorized, penalty—HB 620

NEGOTIABLE INSTRUMENTS
Credit unions, sales by—HB 554
Language on check releasing insurer from liability—HB 122
Uniform Commerical Code-amendments to Article 9—HB 673

NETT, CARL
HR 41, 130, 154; HB 190, 191, 192, 274, 275, 299, 315, 341, 348, 364, 402, 412, 450, 479, 510, 610, 618, 725, 767, 785, 829, 858, 859, 860, 861, 866, 870, 877, 908
Voting modifications—HB 858Y, p. 2831

NEWS MEDIA
Assault on personnel prohibited—HB 626
Legal notices, publication of—SB 23; HB 865
Newsgathering organizations, premises search prohibited—HB 965
Print handicapped, radio broadcasts to—SB 173
WHAS, request for increase in power of—SCR 53
Victims of sex crimes, prohibit name publication—SB 177

NOE, ROGER
HR 8, 9, 37, 41, 77, 82, 87, 130; HB 2, 5, 28, 74, 118, 149, 186, 216, 217, 218, 220, 221, 234, 257, 296, 393, 395, 455, 468, 482, 580, 596, 577, 715, 717, 728, 876

NOISE CONTROL
Local government ordinances—HB 561

NOTICES
Bid invitation by local governments—HB 740
Court of justice, omnibus bill—HB 890
Hearing on zoning amendment, notice for—HB 750
Housing authority, site acquisition notice—HB 851
Legal notice, place of publication—HB 865
Planning commission, hearings—SB 116
Publication and rates for legal notices—SB 23
Referendum, notice of text of question—HB 916
Surveys, property owners' notices—HB 798
Zoning hearings—HB 487

NUCLEAR ENERGY
Power facilities, monitoring of discharges—HB 114
Special advisory committee on nuclear issues, creation of—HCR 4
Southern Interstate Nuclear Compact, changed to Southern States Energy Board—SB 386
Transportation of hazardous materials—HB 113, 863
Waste site
  control policy—SB 47; HB 98
  decommissioning—HCR 57

NUISANCES
Blackbirds, action against by state—HR 73
Noxious weeds, eradication—SB 7
Nuisance suits against agricultural operations, limitation on—HB 909
Pesticide applicators, exempt from financial responsibilities—HB 954

O'BRIEN, MARK D.
HR 38, 41, 77, 130; HB 112, 113, 114, 115, 149, 240, 348, 510, 518, 532, 605, 618, 665, 717, 785, 851, 863, 864, 878, 908, 916, 920, 957, 972

OCCUPATIONAL SAFETY AND HEALTH
Emergency medical technician, employment in mines—HB 855

OCCUPATIONS AND PROFESSIONS
Architects and engineers, licensure—HB 344, 414
Attorneys, disciplinary procedure—HB 253
Auctioneers and real estate brokers, liens for services rendered—HB 867
Auto repair persons, disclosure requirements—HB 131
Bar association, voluntary membership in—HB 227
Barber
  apprentices, number of—HB 608
  license requirements—HB 332
  schools, students per teacher—HB 803
Certified public accountants—HB 654
Chiropractors, insurance reimbursement of—HB 491
Cosmetologists board, membership—HB 936
Counselors, licensing of—HB 288
Dental laboratory technicians, licensure—SB 193
Dentists, licensing of—HB 541
Embalmers and Funeral Directors, State Board, appointments—HB 163
Emergency medical technician, restriction on certification of—HB 362
Engineering, definition of—HB 219
Insurance agents
  license, instruction required—HB 484
  limited license for—SB 206
Licensing board
  members, mandatory training for—HB 844
  review and evaluation—HR 110
Minors, employment of—HB 923
Nursing, continuing education activities—HB 842

OCCUPATIONS AND PROFESSIONS (Cont'd)
Optometrists, medicaid payments to – HB 538
Pharmacists
  licensing of – HB 671
  prescription practices – SB 342
Physical therapists licensure – HB 155
Physicians, resident training – HB 150
Plumbers, advertising by nonlicensed – HB 616
Plumbers' association, name of – HB 588
Psychologists
  certification – HB 548
  examinations and fees – HB 952
Professional Education Preparation Programs, establishing office of – HB 137
Professional service corporations; omnibus revision – SB 348
Real estate brokers, advertising by – HB 613
Review of proposals for regulation of occupations – HB 239
Social service aid, registration – HB 403
Social workers, insurance reimbursement of – HB 374
State plumbing code, design from model codes – HB 743
"Sunset" for licensing boards – HB 238
Tipped employes, definition of – HB 640

OIL AND GAS
Administrative hearings, location of – HB 347
Mineral production license tax – HB 351
Oil shale mining, regulation – SB 257; HB 932
Pipelines, include as public service – SB 156
Retail Service Stations, Divestiture of corporate ownership – HB 307
Tax on windfall profit – HB 958
Severance tax on gas; increase in tax rate on oil production – HB 968
Waste oil recycling program – HB 704

OPTOMETRISTS
Medicaid payments to – HB 538

OVERSTREET, RAYMOND
HR 23, 30, 41, 43, 50, 64, 144; HB 108, 265, 321, 347, 349, 383, 455, 474, 495, 592, 737, 838

PARENTAL RIGHTS
Child, change of name, petition for – HB 454
Grandpartental visitation rights – HB 578
Immunizations, parental objection to – HB 293
Termination of parental rights records, access – SB 282; HB 404

PARKS AND SHRINES
Big South Fork Park, opening of – HCR 67
Blue Licks State Park, bicentential program – HJR 21
Condemnation for park purposes, relocation assistance payments required – HB 716
Covered bridge preservation – HB 245
Kentucky landmark preservation program – HB 188, 189
Personnel, temporary, rules for – HB 400

PARTNERSHIPS
Real estate transfer, tax exemption – HB 422

PATRICK, ELVIN ELMER
HR 1, 7, 8, 9, 16, 23, 29, 30, 33, 41, 50, 62, 67, 177; HB 1, 4, 9, 16, 23, 29, 30, 53, 63, 64, 68, 69, 72, 74, 90, 95, 99, 102, 108, 109, 125, 187, 193, 244, 256, 260, 261, 306, 383, 393, 489
Voting modifications – SB 163Y, p. 2831

PEACE OFFICERS
CERS retirement credit – HB 297
Commonwealth detectives, statewide power – HB 396
Constables, allowance for use of auto – HB 856

PEACE OFFICERS (Cont'd)
Disciplinary hearings, procedure – HB 416
Peace officer
  nonelective, removal of photo filing requirement – HB 57
  qualifications – SB 13
Police
  radio possession – HB 50
  salary supplements – SB 383; HB 921
Private police and detectives, licensing of – HB 948
Property seized and abandoned, custodian for – HB 668
Special local peace officers, qualifications and appointment – HB 822

PEARMAN, VIRGIL
HR 77, 89; HB 187, 193, 202, 203, 204, 205, 206, 207, 208, 300, 330, 331, 344, 345, 350, 352, 353, 354, 374, 379, 380, 382, 393, 425, 426, 427, 428, 459, 473, 522, 523, 530, 588, 624, 651, 684, 749, 750, 817

PERSONNEL
Capital construction projects, personnel for – HB 456
Career employes, merit status – HB 631
Deferred Compensation System – HB 604
Elected officers, leave credit as state employes – HB 518
Hospitalization insurance coverage study – HR 88
KET, personnel classification status – HB 287
Longevity, annual increment to state employes – HB 876, 930
Meritorious service awards – HB 142
Parks, personnel, temporary, rules for – HB 400
Public employes, union dues check-off – HB 18
Records of personnel turn-over – HB 796
School, personnel, board actions on – HB 819
State
  merit employes, political activity by – HB 216
  merit and status reemployment – HB 686
  promotions – SB 200
Vocational education employes, salary schedule for – HB 133

PETTY, CHARLES O.
HR 9, 14, 41, 43, 77, 79, 132, 137; HB 32, 91, 98, 125, 130, 146, 147, 158, 180, 182, 186, 187, 197, 198, 199, 247, 248, 265, 277, 315, 323, 332, 334, 335, 349, 364, 386, 388, 393, 455, 480, 498, 519, 537, 538, 586, 591, 611, 622, 706, 717, 908, 943, 960

PHYSICIANS AND PRACTITIONERS
Abortion
  after first trimester, hospital performance – HB 315
  county regulation of – HB 277
  performance of – HB 90, 364
  procedures, omnibus revision – HB 927
Chiropractors, insurance reimbursement of – HB 491
Death, determination of – HB 832
Dental laboratory technicians, licensure – SB 193
Denturists, licensure – HB 541
Emergency medical
  technician, restriction on certification of – HB 362
  treatment liability exemption – HB 36, 366, 387
Good samaritan law, firefighters and rescue personnel added – HB 776
Gunshot wounds, reporting of – SB 378
Laetrile, prescription of – HB 624

PHYSICIANS AND PRACTITIONERS (Cont'd)
Medical assistance
  payments, equality required – SB 53; HB 338
  physician participation – HCR 22
  study – HR 109
Medical residencies, free-standing – HB 139
Nursing, continuing education activities – HB 842
Optometrists, medicaid payments to – HB 538
Psychologists, certification – HB 548
Physician
  assistants, certification – SB 114
  medicaid reimbursement – HB 777
Podiatrists, hospital staff privileges for – HB 371
Prescription practices – SB 342
Social workers, insurance reimbursement of – HB 374

PLANNING AND ZONING
Area planning commissions, authority to act as "administrative officials" – HB 519
Hearing on zoning amendment, notice for – HB 750
Shale mining, zoning restriction of – HB 815
Subdivision
  agricultural use of – HB 672
  plats recorded, dimensions of – HB 204
Planning commission hearings, notice of – SB 116
Urban counties, comprehensive plan commission – HB 304
Zoning change, legal notice for – HB 487
Zoning change request denial – HB 319

PLUMBERS AND PLUMBING
Milk houses and parlors, plumbing exemption code – HB 964
Nonlicensed, advertising by – HB 616
Onsite sewage disposal, technical information on – HB 232
Plumbers, business name on trucks and equipment – HB 746
Professional association, name of – HB 588
Property, FAIR plan and reinsurance association – HB 652
Septic tank installers, licensing of – SB 296
State plumbing code, design from model codes – HB 743

PLUMMER, GEORGE
HR 50, 64, 69, 77, 144; HB 19, 43, 74, 94, 96, 108, 125, 136, 153, 187, 246, 262, 265, 378, 383, 388, 452, 455, 474, 489, 492, 532, 624, 662, 899
Voting modifications – HB 63Y, p. 422

POLICE, CITY AND COUNTY
Bargaining, cities of first – HB 831
Body cavity searches, restriction on – HB 661
Change the word "policeman" to "police officer" – HB 598
Cities of 3rd, fees for services – SB 151
City police pension system revision – HB 79
Civil service in cities of 1st, exemptions – HB 593
County forces, collective bargaining by – HB 549
County police
  discipline of – HB 361
  merit boards, personnel rules – HB 360
  political activities of – HB 359
  retirement age – HB 341
Criminal records, sealing of – SB 227
Dealer in gold, silver or platinum, records open to police – HB 892
Death benefits increment – HB 488
Disciplinary actions, cities of 4th and 5th – HB 432
Emergency vehicles, warning requirements – HB 767
Income tax exemption, police pensions – HB 649

POLICE, CITY AND COUNTY (Cont'd)
Investigative police vehicle license plates — HB 607
Law enforcement foundation program fund, salary supplements from — SB 383; HB 921
Parolees, reports to local law enforcement authorities — HB 787
Peace officer
  nonelective, removal of photo filing requirement — HB 57
  qualifications — SB 13
Pension
  board, cities of first — HB 875
  in urban counties — HB 375, 376
Police radio possession — HB 39, 50
Reinstatement to department — HB 467
Sex offense victims, prohibition of name release — HB 575
Survivor benefits
  second class city — HB 721
  third and fourth class city — HB 722

POLICE, STATE
Body cavity searches, restriction on — HB 661
Change the word "policeman" to "police officer" — HB 598
Criminal records, sealing of — SB 227
Death benefits increment — HB 488
Disciplinary hearings, procedure — HB 416
Educational requirements for officers — HB 596
Graham, Clyde Daniel, investigation concerning — HR 18
Harris, Trooper Eddie, memorial to — HR 25
Investigative police vehicle license plates — HB 607
Payroll deductions, professional association dues — HB 388
Peace officer
  nonelective, removal of photo filing requirement — HB 57
  qualifications — SB 13
Police radio possession — HB 50
Promotions — SB 200
Property identification system — SB 277
Retirement
  age declaration — HB 641
  cost-of-living increases — HB 225
  credit, military service — HB 251
  omnibus amendments — HB 574
  system administration — SB 108
Sex offense victims, prohibition of name release — HB 575
Sick leave
  exemption from charges against — HB 565
  retirement credit — HB 433
Transfers, unrequested — SB 139
Trial board
  qualifictions of members — SB 139
  selection of and appeals — HB 393

POLLUTION
Air pollution measurements study — HR 154
Air standard violation, penalty — SB 192
Emission control programs, tax limitations — HB 898
Litter
  assessment, exemption — HB 474
  assessment, repeal — SB 243; HB 651
  penalties — HB 883
  violations, awards for reporting of — HB 622
Motor vehicle emissions inspection program — SB 315

POVERTY
Dentures, medical assistance notification regarding — HB 214, 215
Electricity rates definition — HB 745
Legal counsel for indigent — HB 590
Public assistance recipients, work for — HB 792

PRIDDY, DOTTIE
HR 14, 41, 77, 103, 130, 144; HB 20, 24, 32, 53, 57, 97, 108, 127, 141, 87, 299, 334, 341, 348, 349, 358, 359, 360, 361, 362, 367, 388, 393, 412, 416, 417, 450, 459, 510, 538, 545, 549, 618, 620, 621, 624, 630, 679, 705, 720, 767, 785, 787, 793, 831, 859, 861, 875, 898, 908, 938
Voting modifications — SB 90Y, p. 1059

PROBATION AND PAROLE
Conditional release abolition — HB 791
Eligibility for, minimum sentence — SB 37
Firearms, parole for offenses committed with — HB 418
Parole
  board members, liability for parolees' acts — HB 243
  prohibited when crime involves use of firearms — HB 157
Parolees, reports to local law enforement authorities — HB 787
Rape, life without parole for — HB 200
Sex offender rehabilition — SB 326
Shock probation repeal — SB 37

PROPERTY
Alien
  interest in real estate, prohibition — HB 73
  land ownership registration — HB 105
Assessment, notice to explain appeal procedure — HB 171
Forfeited property, retention by counties, cities, and urban county governments — HB 679
Gifts deemed charitable — SB 166
Homeowners' insurance
  full reimbursement of replacement value — HB 406
  payment for total loss of personal property — HB 41
Insurance, FAIR plan and reinsurance association — HB 652
Intangible property to be assessed by department of revenue — HB 128
Landlocked property — HB 446
Penal code, identification under — SB 277
Property owners association, powers of — HB 928
Property seized and abandoned, custodian for — HB 668
Real, development within fifteen years — SB 17
Reparation for damage or theft — HB 415
State property, disposal of — HB 355
Surveys, property owners' notices — HB 798
Survivorship, right to entirety, not to be defeated by will — HB 94
Technical amendments to 1979 Special Session HB 44 Property Taxation Bill — HB 161

PROPERTY TAX
Aircraft, vessels and housetrailers in storage, information concerning to be submitted to PVA — HB 539
Assessment
  appeals time period — HB 93
  moratoriums amendment — HB 725
  notice to explain appeal procedure — HB 171
Cable TV equipment — HB 494, 569
Cable TV equipment, exemption — HB 494
Calendar changes — HB 146
Cities of the first class, collection of — HB 83
Cities, omnibus revision — SB 19
Delinquencies, in cities, interest and penalties — HB 80
Discount and penalty dates — HB 96
Distilled spirits, state tax rate reduction on — HB 972
Farm machinery inventories, exemption — HB 197
Homestead exemption
  extension — HB 4, 213, 241
  extension to disabled — HB 109, 272

PROPERTY TAX (Cont'd)
Improvement assessments by cities — SB 25
Intangibles property tax assessment transferred from local PVA to state — HB 128
Liens enforceable by tax warrant — SB 265
Mapping real property — SB 258
Motor vehicles, collection of tax — SB 44
New property, definition of — HB 872
Omitted property, assessment — HB 342
Overpayment, refunds following — SB 287
Property valuation administrator
  office, allowance for — HB 905
  education program — HB 129
  to be state employes — HB 115
Property tax, installment payment, study of — HCR 44
Rate limit exemption, cities and urban counties — HB 915
Reduction of tax rate on intangible property — HB 465
Refund for overpayment of property taxes — HB 736
School building fund tax levies, purposes of — HB 628
School district tax sources, study of — HR 5
Sheriff's tax proceeds, investment of — HB 545
Solar energy systems — HB 184
Tax bills, preparation — HB 825
Technical amendments to 1979 Special Session HB 44 property taxation bill — HB 161

PROPERTY VALUATION ADMINISTRATORS
Office allowance — HB 905

PUBLIC ASSISTANCE
Abortions, prohibit aid for — HB 125
Community work experience program, exemption — HJR 74
Dentures, medical assistance notification regarding — HB 214, 215
Energy cost assistance
  appropriation — HB 180
  investigation — HCR 16
  program, repeal of — HB 68
  program response — HR 47
  programs, expression of displeasure concerning — HR 68
Integrated casework model study — SJR 51; HJR 92
Medicaid payments to optometrists — HB 538
Medical assistance
  coordination of benefits — SB 205
  physician participation — HCR 22
  physicians, equal payments for — SB 53; HB 338
  study — HR 109
Public health departments, medicaid reimbursement — HB 777
Recipients, highway employment for highway — HB 792

PUBLIC AUTHORITIES
Center for the Arts — HB 956
Chemical/Energy Park Authority — SB 245
Commonwealth Arena — HB 956
Housing authority, site acquisition notice — HB 851
Labor-Management Advisory Council membership terms — HB 744
Special district accountability — SB 62
TVA electricity rates — HR 125
Water resources authority effectiveness — HCR 107

PUBLIC BUILDINGS AND GROUNDS
Board of Housing, Buildings and Construction, handicapped membership — HB 82
Capitol Annex
  control of — HB 752
  space allocation to legislative agencies — HB 528, 717
Capitol parking structure, control of — HB 162

PUBLIC BUILDINGS AND GROUNDS (Cont'd)
Construction standards to provide for additions—HB 309
Handicapped, accessibility to—HB 659, 922
Governor's Mansion Commission—HB 913
Prohibit pay toilets in public buildings—HB 731
State structures in flood plains, insurance on—HB 482

PUBLIC DEFENDER
Establishment in judicial district with 3 circuit judges—HB 784
Indigency requirements, repayment for services—HB 424
Public advocate, definition of "serious crime" allowing appointment of—HB 61

PUBLIC ETHICS
Financial disclosure requirements—HB 401

PUBLIC OFFICERS AND EMPLOYES
Age qualification, constitutional minimum—HB 276
Alderman, subpoena power—HB 190
Attorney general, liability for act, insurance and defense—SB 290
Bank examiners, liability exemption—HB 643, 657, 658, 664, 697
Building code inspector qualifications—HB 695
Cities—SB 26
City employe pension systems, investment fund for—HB 59
Collective bargaining by—HB 949
Commissioner of banking, appointment of—HB 765
Commissioners, master, salary increase for—HB 273
Compensation, unlawful, penalty for—HB 369
Constitutional officers, succession in office by—HB 14
County
  attorney, duties of—HB 124
  clerks, fees of—SB 235
  employes, merit and retirement coverage for—HB 862
  judge/executive, administration of oaths by—HB 562
  police, discipline of—HB 361
  police merit boards, personnel rules—HB 360
  police, political activities of—HB 359
  purchase of retirement credit—HB 235
  school superintendent, election of—HB 557
  treasurer, bank officers ineligible—HB 320
Court of justice, omnibus bill—HB 890
Deferred Compensation System—HB 604; HJR 34
Deputy county judge/executive not a member of fiscal court—HB 134
Disciplinary hearings, procedure—HB 416
District court trial commissioners' salary limit—HB 505
Education personnel, demotion of—HB 479
Expense allowance increment—HB 117
Elected officers, leave credit as state employes—HB 518
Financial disclosure requirements—HB 401
Firefighters, collective bargaining for—HB 595
General Assembly
  employes, compensation of—SB 99; election, p. 8
  expense allowances—HB 312
  members, terms of—HB 354
Governmental crimes, prosecution of—HB 325
Jailers, certification for hazardous duty retirement—HB 298
Kentucky retirement system
  beneficiaries, repayment of contributions—HB 770
  amendments—HB 574

PUBLIC OFFICERS AND EMPLOYES (Cont'd)
KET, personnel classification status—HB 287
Liability insurance for—HB 579
Licensing board members, mandatory training for—HB 844
Lieutenant Governor, duties of—HB 144
Local officers, election date amendment—HB 291
Marshal, city of 6th, jurisdiction—HB 110
Mayor, city of 1st, absence notice—HB 191
Mileage allowance for private vehicles—HB 503
Military service credit for state and county employes' retirement—HB 251
Official misconduct, penalty increases and limits on prosecution—SB 118
Parks personnel, temporary, rules for—HB 400
Peace officer qualifications—SB 13
Police, state, sick leave charge exemption—HB 565
Precinct election, officers, compensation of—HB 301
Property valuation administrator
  education program—HB 129
  mapping real property—SB 258
  to be state employes—HB 115
Public employes, union dues check-off—HB 18
Recall of elected public officers—HB 529
Records of personnel turn-over—HB 796
Retirees, KERS, group hospital insurance premiums—HB 234
School
  board members, election of—HB 614
  board members, election to other public offices—SB 174
  board members, voting for appointment of relatives—SB 146
Sick leave credit to retirees—HB 728
Social security sick pay exclusion—SB 297
Special local peace officers, qualifications and appointment—HB 822
State
  auditors, requirements for staff—HB 515
  cabinet and department secretaries, appointment confirmation—HB 29
  career employes, merit status—HB 631
  deemed defendant in tort action against employes—HB 884
  employes, mass transit of—SB 327
  employes' sick leave retirement credit—HB 433
  fair board members, liability insurance for—SB 300
  merit employes, political activity by—HB 216
  merit status and reemployment—HB 686
  police
    educational requirements—HB 596
    professional association dues check-off—HB 388
    promotions—SB 200
    trial board members—SB 139
  retirement systems, cost-of-living increases—HB 225
Teachers
  annual leave—HB 218
  sick leave, retirement credit—SB 72; HB 257
Treasurer of county, time of taking office, settlement of accounts—SB 172
Treasurer/Secretary of State, combination of—HB 945

PUBLIC RECORDS AND REPORTS
Adopted child, birth certificate—HB 78
Adoption records, access on consent of natural parent—HB 404
Birth certificate, access by adult adoptee—SB 282
County clerk's recording fees—HB 207
County judge/executive, Acts of General Assembly to—HB 896
Criminal records, sealing of—SB 227

PUBLIC RECORDS AND REPORTS (Cont'd)
Dealer in gold, silver, platinum, records of transactions—HB 892
Disciplinary hearings, procedure—HB 416
Driving record abstracts, limitation to three-year period—HB 103
Financial disclosure requirements—HB 401
Library and Archives Board—HB 302
Misdemeanor record expungement—SB 330
Personnel turn-over records—HB 796
Program review and investigations committee, meetings, powers—HB 363
Sex offense victims, prohibition of name release—SB 177; HB 575
Special district reporting requirements—SB 62
State Fair Board, open records of—HB 95
Termination of parental rights records, access—SB 282

PUBLIC SALARIES
Circuit clerk salaries, cost-of-living provisions—SB 102; HB 321
Commissioners, master, salary increase for—HB 273
Deferred Compensation Systems, recommendations—HJR 34
District court trial commissioners' salary limit—HB 505
Firefighters, foundation program fund—HB 793
General Assembly
  employes, compensation—SB 99
  expense allowances—HB 312
Judges, Justices and Circuit Clerks, increments—HB 399
Judicial salaries, cost-of-living provisions—SB 102; HB 321
Longevity, annual increment to state employes—HB 876, 930
Meritorious service awards—HB 142
National guardsmen, active duty pay—SB 229
Payroll deductions in cities and counties—SB 304; HB 744
Police salary supplements—SB 383; HB 921
Precinct election officers, compensation of—HB 301
Precinct officers, minimum pay increment—HB 742
Railroad commissioners, compensation increment—SB 323; HB 847
School personnel, annual increments—HB 470
Vocational or deaf or blind teachers, starting salaries for—SB 299

PUBLIC UTILITIES
Bills sent customers, information on—SB 222
Cities, electric plant bonds—HB 430
Coal
  region power plant development committee—HCR 126
  transport by pipeline—HB 284
Customers' service, meter reading—HB 601
Electricity rates definition—HB 745
Energy and utility commissions, consumer member—HR 28
Fuel adjustment clause elimination—HB 6
Gross receipts tax rate limit—HB 210
Lifeline electricity rates—HB 745
Meters, tampering with—HB 316
Municipal plant boards, utilities operation by—HB 390
Municipal utilities, interconnection with other sources—HB 899
Nuclear power facilities, monitoring of discharges—HB 114
Pipelines, definition as public service—SB 156
Public Service Commission, reestablishment—SB 38
Rates for extension telephones—HB 168
Service in an annexed area—SB 279; HB 734

PUBLIC UTILITIES (Cont'd)
Special telephonic devices and rates for the speech and hearing impaired — HB 5
Telephone
  cooperatives, telephone service defined — HB 490
  cross exchange service study — HCR 12
  rate cases, information filings required — HB 544
  service, countywide — HB 384
TVA electricity rates — HR 125
Utilities
  warnings before peak electricity, demand situation — SB 217
  commission, cities of 2nd and 3rd — SB 255
Waterworks, construction standards, cities of 1st — HB 381

PUBLIC WORKS
Grant anticipation notes financing — SB 292
Prevailing wage
  contracts required to contain prevailing wage provisions — HB 724
  exemptions from — HB 223
  exemption in cities 4th-6th — HB 222
  on public works — HB 739
  study — HR 146
Public assistance recipients, work for — HB 792
Special assessments by cities — SB 25
Wage and hour definitions — HB 836, 924

PURCHASING
Bid invitation by local governments — HB 740
Capital construction bids, single and separate — HB 887
Competitive bidding by local governments — HB 326
Convict made products, require purchase — SB 368
Equipment
  purchase contracts, non-compliance — HB 148
  replacement parts by bureau of highways — SB 65
Local government purchasing procedures — HB 878
Personal service contract review — HB 102
Procurement code — SB 163; HB 458
Public bidding by Kentucky licenses only — HB 942
School districts, procedures by — HB 405
Small and minority businesses — HB 443
Small purchases
  limits, state contracts — HB 811
  by local governments, maximum — HB 246, 477
Waste oil recycling program — HB 704

RACE RELATIONS
Human Rights Commission, abolition of — HB 100
Loan to the Republic of South Africa, urge discontinuance — HR 58
Public contracts, awards to employers of minorities — HB 457

RACING
Harness track owners, commission to — HB 513
Horses, prohibit use of painkillers on — HB 290
Kentucky Racing Health and Welfare Fund, Inc., board of directors — HB 828
Standardbred development fund, distribution — HB 841
State racing commission membership increment — HB 461
Taxes on race tracks conducting pari-mutuel wagering — HB 478
Thoroughbred development fund — HB 466
Thoroughbred racing, study of — HR 42, 94, 102

RAILROADS
Cabooses, requirements for — HB 367
Corporate headquarters, Chessie System and Seaboard — HR 114
Derailments, financial liability for — HB 317
Grade crossings, study of — HR 52
Railroad Commission and Department of Transportation responsiblities — HCR 105
Railroad commissioners, compensation increment — SB 323; HB 847
Safety inspection program — HB 444

RAPIER, KENNY
HR 41, 124; HB 187, 219, 271, 382, 433, 485, 486, 531, 568, 608, 624, 681, 717, 826, 827, 838, 930, 964, 972

RATTLIFF, HERMAN W.
HR 7, 41, 50, 64, 73, 93, 134; HB 96, 126, 153, 187, 383, 419, 503, 600, 605, 857

REAL ESTATE
Agricultural land, limit on use by corporation — HB 473
Alien interest in, prohibition — HB 73
Brokers
  advertising requirements — HB 613
  liens against property for services rendered — HB 867
  requirements, builder exemption — HB 868
Condemned, development time limit — SB 17
Kentucky housing corporation, loans for home repair — HB 62
Landlord-tenant, uniform act application — HB 504
Levy on real estate in district court judgement enforcement — HB 280
Materialmen's liens, omit "occupant" from statute — HB 843
Mortgage liens, priority of — HB 448
Property owners association, powers of — HB 928
Property tax, multiple billings — HB 825
Sales for incompetents, proceeds investment — HB 385
Subdivision zoning — HB 672
Surveys, property owners' notices — HB 798
Thermal efficiency standards for single family homes — SB 338
Transfer tax exemption — HB 422

REAPPORTIONMENT
House districts 50 and 55 — HB 271
House districts 89 and 91, boundary determination — HB 879
Urban-county governments, redistricting in — HB 741

REGISTRATION AND PURGATION
Citizenship verification — HB 670
Party affiliation to be stated at polls — HB 76
Registration forms in schools — HB 24
Voter registration, verification of right — SB 186

RETIREMENT AND PENSIONS
CERS, purchase of service credit — HB 297
City pension system revision — HB 79
City systems, investment fund — HB 59
Commonwealth's attorneys, judicial retirement system coverage for — HB 900
Cost-of-living increases — HB 225, 376
Counties, purchase of service credit for employes — HB 235
County police
  employe contribution — HB 358
  retirement age minimum — HB 341
Coverage for county employes — HB 862
Income tax
  exempt federal military retirement annuities — HB 193, 264, 331
  exemption — HB 599
  exemption for policemen, firemen, and municipal workers annuities — HB 772

RETIREMENT AND PENSIONS (Cont'd)
Jailers, certification for hazardous duty — HB 298
Judicial retirees, cost of living increments — HB 573
Judicial retirement, service credit for special circuit judge service — SB 288
Kentucky retirement system amendments — HB 574
KERS
  beneficiaries, repayment of contributions — HB 770
  coverage for trial commissioners — HB 17
Military service credit for state and county employes — HB 251
Police and firefighter pensions
  boards and cities of the first class — HB 875
  liabilities, 2nd class cities and urban counties — HB 44
Retired teachers as substitute teachers — HB 436
Retirees, KERS, group hospital insurance premiums — HB 234
Service credit for university employment — HB 805
Sick leave credit to retirees — HB 728
Sick pay exclusion for local government employes — SB 297
State
  administered retirement systems, administration of — SB 108
  employes' sick leave retirement credit — HB 433
  police retirement age declaration — HB 641
  retirement systems, combining service credit — SB 362
  retirement systems, employer contribution — HB 885
Survivor benefits — HB 265, 721, 722
Tax exemption, teachers retirement — HB 101
Teachers
  retirement, cost-of-living benefits — HB 378
  retirement, omnibus revisions — HB 766
  retirement, university members contributions — SB 27; HB 152
  sick leave credit — SB 72; HB 285
  sick leave, retirement credit — HB 257
University employes' service credit purchase — SB 242; HB 771
Urban counties
  employe contribution — SB 347
  police and firefighters — HB 375

REYNOLDS, PORTER
HR 158
Election certification — p. 1095
Oath of Office — p. 1096

REYNOLDS, RUSSELL
HR 41; HB 262, 265, 322, 349, 445, 474

RICHARDS, JODY
HR 41, 59, 77, 85, 97, 133, 144; HB 136, 137, 138, 139. 150, 151, 152, 270, 374, 418, 458, 552, 717, 723, 743, 766, 777, 838, 857

RICHARDSON, BOBBY
HR 10, 11, 13, 17, 27, 35, 41, 48, 54, 55, 70, 77, 88, 101, 149; HB 283, 287, 385, 390, 396, 430, 448, 449, 458, 462, 463, 464, 490, 499, 573, 574, 576, 600, 605, 609, 633, 643, 644, 645, 646, 647, 656, 657, 658, 664, 674, 691, 692, 693, 694, 695, 696, 697, 698, 699, 707, 717, 732, 733, 746, 775, 786, 791, 793, 827, 838, 850, 857, 867, 890, 912, 913, 931, 968, 969, 970, 971, 973

RICHARDSON, PAUL W., SR.
HR 41, 64, 77, 100, 152, 153; HB 37, 127, 140, 186, 187, 219, 371, 387, 433, 436, 451, 489, 565, 568, 605, 617, 624, 669, 681, 717, 762, 763, 827, 874, 930, 964

RINER, CLAUDIA
HR 7, 14, 41, 77, 95, 130, 144; HB 32, 53, 65, 90, 125, 141, 183, 200, 277, 315, 341, 348, 359, 364, 415, 475, 476, 510, 577, 618, 624, 776, 785, 889, 898, 908

ROBINSON, ALBERT
HR 41, 50, 120; HB 20, 66, 67, 68, 69, 72, 187, 284, 383, 489, 717, 799, 805, 838
Voting modifications – HB 457Y, p. 2478

ROMINES, ARCHIE N., SR.
HR 2, 14, 41, 43, 77, 130, 144; HB 7, 16, 18, 20, 21, 22, 25, 32, 38, 39, 47, 53, 66, 74, 98, 99, 100, 120, 125, 134, 215, 240, 265, 278, 299, 342, 348, 349, 358, 359, 360, 361, 362, 364, 388, 393, 417, 459, 469, 470, 503, 509, 510, 549, 552, 614, 620, 621, 624, 630, 670, 717, 720, 767, 785, 831, 859, 862. 875, 898, 908, 949, 950

SAFETY
Boiler and pressure vessel safety – HB 786
Consumer product safety – HB 782
Fire protection, commission on, membership – SB 216
Hazardous waste management, policy and standards – SB 267
Railroads, inspection of – HB 444
Special local peace officers, qualifications and appointment – HB 822
Train derailments, financial responsibility for – HB 317

SALE, FOREST "AGGIE"
HR 26, 64, 75, 144, 153; HB 74, 127, 142, 187, 219, 265, 271, 293, 338, 378, 433, 440, 447, 455, 458, 489, 494, 538, 919, 930

SALES
Real estate sales for incompetents, proceeds investment – HB 385
Sunday closing exemptions – HB 182
Venue of actions for goods and services – HB 279

SALES AND USE TAX
Alcohol production facilities exemption HB 75
Corporate remissions, officers' liability for HB 174
High school athletics tickets, exemption HB 186
Jewelry engraving, exemption HB 170
Medical aids exemption HB 795
Mobile home exemption – HB 542
Motor vehicle use tax
  collection – HB 684
  exemption, corporate dissolution or formation – HB 205
  redefine retail price – HB 31
Prescription medicine, sales tax exemption – HB 7
Records retention time period extension – HB 687
School-sponsored clubs, exempt sales by – HB 829
State Tax Revenue Sharing Fund – HB 908
Walkers for invalids, exemption of – HB 196

SCHMIDT, ARTHUR L.
HR 41, 50, 70, 89, 94, 137, 144; HB 91, 95, 108, 161, 187, 247, 248, 265, 292, 293, 323, 386, 387, 453, 460, 480, 519, 532, 579, 591, 605, 622, 651, 793, 806, 829, 839, 857

SCIENCE AND TECHNOLOGY
Chemical/Energy Park Authority – SB 245

SECRETARY OF STATE
Office of, combination with Treasurer – HB 945

SECURITIES
Blue sky law
  enforcement – HB 698
  nationally centralized filing – HB 762
  order to give evidence – HB 691
  service of subpoenas – HB 696
  take-over bids, offers subject to civil liabilities – HB 763
Registration and exemption therefrom – HB 733

SEVERANCE TAX
Appropriation of proceeds – HB 774
Claims upon – HB 837
Coal fund interest income – SJR 33
Energy and coal impact road fund – HB 797
Natural resources, taxation of – HB 968
Receipts, devotion to energy road fund – HB 882
Refund for small operators – HB 220

SEWER SYSTEMS
Jurisdiction of state agencies for – HB 768
Onsite sewage disposal, information on – HB 232

SHERIFFS AND CONSTABLES
Constables, allowance for use of auto – HB 856
Expense allowance increment – HB 117
Fees and expenses for service of papers on behalf of Commonwealth – HB 383
Motor vehicle inspection responsibility – HB 203
Parolees, reports to local law enforcement authorities – HB 787
Peace officers, nonelective, removal of photo filing requirement – HB 57
Prisoner transporting fees – HB 563
Property seized and abandoned, custodian for – HB 668
Retirement credit for prior service – HB 297
Sex offense victims, prohibition of name release – HB 575
Successive terms amendment – SB 208; HB 14, 501, 508
Tax proceeds, investment of – HB 545

SMITH, FRANK J.
HR 8, 9, 24, 28, 41, 42, 52, 77, 81, 130, 157; HB 2, 36, 70, 105, 109, 130, 131, 132, 183, 184, 186, 187, 268, 334, 349, 388, 395, 458, 528, 682, 683, 704, 717, 736, 745, 815, 908, 958, 972

SPECIAL DISTRICTS
Administrative and reporting requirements – SB 62
Ambulance service districts in cities – SB 45
Dissolution, methods for – HB 747
Governing body members' removal – HB 111
Library districts
  dissolution and tax rate decrease – HB 107
  formed by petition, repeal of provisions – HB 907
Property tax overpayment, refunds following – SB 287
Sanitation districts, onsite sewage disposal management authority – HB 233
Soil conservation districts, county funds for – HB 730
Transit authorities, occupational license fee exemption – HB 682
Water districts, size of board of commissioners – HB 329

STATE AGENCIES
Administrative regulations, review – HB 12, 65, 123, 460
Agriculture, Governor's Council on – HB 729
Annual reports, copies filed with the Legislative Research Commission – SB 147; HB 495
Archaeology, creating office of state – HB 275

STATE AGENCIES (Cont'd)
Audits, requests for – HB 516
Blind, bureau for, organization of – HB 920
Board of Ethics, appropriation – HB 292
Budget, executive biennial – HB 931
Cancer commission membership – SB 233
Capital construction projects, personnel for – HB 456
Claims, board of, appeal from decision of – SB 363
Commissioner of banking, appointment of – HB 765
Competition with private enterprise, prohibition of – HB 108
Contract compliance office – HB 457
Contracts for public information services – HB 336
Convict made products, require purchase – SB 368
Council on Higher Education, membership – SB 57
Court of justice, omnibus bill – HB 890
Deferred Compensation System – HB 604
Domestic Violence, Commission on – HB 45
Embalmers and Funeral Directors, State Board, appointments – HB 163
Employes hospitalization coverage study – HR 88
Energy and utility commissions, consumer member – HR 28
Energy research board membership – SB 389
Equipment purchase contracts, noncompliance – HB 148
Federal funds, legislative approval and appropriation process – HB 410
Fish and Wildlife Commission, membership candidate selection – HB 445
Finance department, accounting principles use – HB 70
Fire protection, commission on, membership – SB 216
Governor's Mansion Commission – HB 913
Health facilities and health services, certificate of need and licensure board – SB 340
Health insurance claims form, uniform – SB 40; HB 339
Higher Education Assistance Authority – SB 195
Highways, Bureau of
  equipment purchases – SB 65
  construction work by state employes – HB 47
Housing, buildings and construction
  board membership – SB 153; HB 437
  board of, handicapped membership on HB 82
  department of, onsite sewage disposal information – HB 232
Housing, department, boiler safety – HB 786
Human resources, department of, investigate paperwork relief funds – SJR 58
Human Rights Commission, abolition of – HB 100
Industrial Development Finance Authority – HB 464
Insurance, department of, fees payable to – HB 850
Investment and Debt Management Office – HB 71
Investment commission, fish and game fund payments – HB 576
KET, personnel classification status – HB 287
Kentucky Center of the Arts Corporation – HB 858
Kentucky housing corporation, board of directors – HB 60
Kentucky Insurance Regulatory Board, duties reassigned to Commissioner of Insurance – HB 603
Kentucky Racing Health and Welfare Fund, Inc., board of directors – HB 828
Labor-Management Advisory Council, membership terms – HB 644
Leases of real property – HB 957

STATE AGENCIES (Cont'd)
Liability insurance for acts or omissions of officials - HB 579
Library and Archives
  department of - HB 877
  personal service contract investigation SJR 11; HJR 15
  state board HB 302
Local government, department of
  administration of area development fund - SB 390
  liaison with federal agencies for housing programs — SB 361
Mail, registered or certified, use of — SB 11
Mileage allowance for private vehicles — HB 503
Nuclear waste sites, responsibilities for — SB 47; HB 98
Omnibus reorganization — SB 376
Open meetings law — HB 413
Personnel
  meritorious service awards — HB 142
  merit status and reemployment — HB 686
Personal service contract review — HB 13, 102
Pollution Abatement Authority, management of hazardous waste facilities — HB 701
Procurement code revisions — SB 163; HB 458
Property, disposal of -- HB 355
Public Employes Deferred Compensation System, recommendation HJR 34
Public Service Commission, reestablishment -- SB 38
Purchases, bidding by Kentucky licensees only -- HB 942
Racing commission membership increment -- HB 461
Retirement system contributions — HB 885
Revenue bonds, General Assembly approval — HB 147
Review the decision to convert from coal to oil at Blackburn Correctional Complex — HR 23
School building authority, compliance with legislative intent — HJR 40
Small purchases, limits — HB 811
Solar Energy Coordinating Council — HB 54
State Board of social work examiners, register social service aides — HB 403
State Fair Board
  liability insurance for — SB 300
  open records of — HB 95
State investment commission, insure safety of public funds — HB 707
State merit employes, political activity by - HB 216
State Police, trial board — HB 393
State structures in flood plains, insurance on — HB 482
Study commissioners, testing prospective members — HB 794
Thoroughbred racing study task force — HCR 42
Tourism, Department of, Appalachia tourism development fund — HB 756
Veterans' affairs, center for — SB 56
Water Resources Authority — HR 108

STATE SYMBOLS
Golden Knights Junior Drum and Bugle Corps — HB 453
State dog, coon hound as — HB 420
State Zoo, Louisville Zoo as — SB 134

STATUTES
Animal definition, exclude birds — SB 263
Construction of as not violating Constitution — HB 169
Construction of, recovery on behalf of unborn human being — HB 934
Enactments by General Assembly, voidance for errors — HB 84
General revision of chapters 431-438 — HB 88

STATUTES (Cont'd)
Junkyard statutes, unconstitutional, reenactment of — SB 332
"Piggybacking," voidance of enactment following - HB 3, 255
Revisor's bill -- HB 609
"Workmen's" to "workers" SB 15

STONE, PHILIP
HR 8, 9, 19, 23, 30, 41, 44, 64, 77, 87, 144; HB 2, 105, 109, 116, 187, 246, 251, 259, 265, 272, 320, 349, 393, 433, 446, 447, 458, 459, 508, 566, 570, 671, 717, 838, 847, 855
Voting modifications — HB 119Y, p. 1003

STREETS AND SIDEWALKS
Driving in the left lane — HB 165
Establish state primary and secondary road system — HB 212
Subdivisions, street maintenance and urban services in — HB 547

STRIP MINING
Administrative hearings, location of — HB 347
Approximate original contour, agree not to restore — HB 244
Broad form deed — HB 328
Federal law, injunctive relief from — HR 30
Non-primacy bill, omnibus revision — HB 830
Oil shale mining
  regulation -- SB 257; HB 919, 932
  zoning restriction of — HB 815
Primacy bill — HB 566
Severance tax records -- HB 688
Small coal operators, assistance to -- HB 825
Two acres or less, regulation prohibited — HB 718

STUDIES DIRECTED
Air pollution measurements study — HR 154
Alternate energy sources study — HR 123
Appalachian regional transportation plan — HR 6
Christian schools, tax support study — HCR 79
Coal
  imported by power generation plants, LRC study of — HCR 78
  small coal operator programs study — HCR 118
  transportation, study of hindrances — HR 120
  utilization task force — HR 87
Dual prosecution study — HJR 121
Emergency medical center, study of need for — HR 96
Energy cost assistance — HR 115
Exceptional children, teachers of — HJR 43
Floodproofing, incentives — HCR 37
Foundation Program per-pupil cost study — HR 3
Gasoline pricing study — HR 132
Ginseng, study of — HR 128
Graham, Clyde Daniel, investigation concerning — HR 18
Helicopter ambulance service study — SJR 8
Human resources, department of, invesigate paperwork relief funds — SJR 58
Integrated casework model study — SJR 51; HJR 92
Juvenile code study — SJR 55
Law library resources evaluation — HR 84
Licensing boards, review and evaluation — HR 110
Low-rent housing in counties with 1st — HCR 66
Medical assistance study — HR 109; HCR 22
Mineral estate vs. surface estate study — HCR 20
Nuclear issues, special committee for — HCR 4
Prevailing wage study — HR 146
Property tax
  alternatives study — HR 139
  installment payment, study of — HCR 44

STUDIES DIRECTED (Cont'd)
Railroad Commission and Department of Transportation responsibilities, study of — HCR 105
Railroad grade crossings - HR 52
Rural and municipal aid program study HCR 106
School district tax sources, study of HR 5
Small business development, study task force - HJR 104
State employes hospitalization coverage study — HR 88
Study commissions, testing prospective members — HB 794
Telephone cross exchange service study — HCR 112
Thoroughbred racing study task force — HCR 42, 94; HR 102
University faculty tenure procedures — HJR 98
Waste statutes, study of — HCR 81
Water Resource Authority — HCR 107; HR 108
Wood-using industries, development of — SCR 18
Workmen's compensation program — HJR 24

STUMBO, GREGORY
HR 25, 30, 41, 52, 77; HB 74, 109, 256, 261, 272, 284, 328, 347, 349, 365, 374, 414, 536, 590, 662, 717, 718, 752, 753, 754, 756, 838, 883, 951

SUNDAY CLOSING
Operating prohibition exemption - HB 182
Retail businesses, work days of - HB 567
Sunday sales of alcoholic beverages -- SB 187; HB 586

TAXATION
Ad valorem taxes, refund of overpayment to taxpayer — HB 736
Alcohol production facilities, tax exemptions — HB 75
Ambulance service, requirements for — SB 66
Assessment of intangibles property tax to be transferred from local to state — HB 128
Bus companies, motor fuel tax exemption — HB 780
Cable TV equipment, property tax exemption — HB 494
Coal severance or processing tax proceeds, claims upon — HB 837
Corporate income tax
  apprenticesip programs credit — HB 266
  state-federal conformity revision — HB 499
Corporate license tax
  exemption for "open end registered investment companies" — HB 540
  farm corporation exempt — HB 199
County occupational license fees, population requirement — SB 353
Delinquencies, interest and penalty increment — HB 648
Emission control programs, tax limitations — HB 898
Federal motor fuels tax increment, allocation of — HCR 26
Federal tax on retired teachers annuities, exclusion of — HCR 80
Fire insurance proceeds, subject to tax liens — SB 305; HB 676
Gasoline tax
  excise on wholesale price — HB 973
  exemption — HB 28
  refund for vehicles used by volunteer fire departments — HB 947
Grant anticipation notes exemption — SB 292
Hazardous waste management assessment — SB 266
Homestead exemption
  extension — HB 4, 213
  extension to disabled — HB 109, 272
Housing associations, reserves exempt from corporate income tax — HB 173

TAXATION (Cont'd)
Income and sales tax levies by political subdivisions — HB 49
Income tax
  aged persons' exemption — HB 871
  credit for historic property — HB 34
  credit for solar equipment — HB 209
  credit for renters aged 65 or over — HB 943
  credit for expenses of work incentive programs — HB 606
  credit for volunteer firefighters — HB 343
  deduction for legislators — HB 167
  exclusion for certain retirement annuities — HB 772
  exempt certain interest — HB 411
  exempt federal military retirement annuitites — HB 193, 264, 331
  exemption for retirement annuities — HB 599
  exemption, police and firefighter pensions — HB 649
  nature preserves check-off — SB 124
  on adjusted income for federal tax purposes — HB 902
  solar energy equipment credit — HB 183
  state/federal conformity — HB 160, 633
Increases
  referendum, constitutional amendment on — HB 172
  urge moratorium on — HR 50
Inheritance tax
  agricultural land assessment — SB 133; HB 283, 391
  exemption of state residents' estates — HB 116
  exemptions — SB 181; HB 300, 650
Intangible tax rate, reduction of — HB 465
Interest paid to taxpayers receiving refunds — HB 748
Legal process tax, delete exemption on mortgages less than $200 — HB 208
Libraries, income tax check-off for — HB 492
Library districts, dissolution and tax rate decrease — HB 107
Life insurance premiums, foreign company HB 58
Litter assessment
  exemption — HB 474
  repeal — SB 243; HB 651, 809
Mineral production license tax — HB 351
Motor fuel
  excise tax exemption, penalty concerning — HB 810
  tax, exemption for city buses — HB 299
  tax, local road aid increment — HB 154
Motor vehicle use tax
  collection — HB 684
  exemptions — HB 205, 421, 650
  motor boat fuel, exemption — HB 650
  retail price definition — HB 31
Municipal insurance premium tax, collection fee — HB 611
Oil and gas, windfall profit tax — HB 958
Oil production, increase in rates — HB 968
Prevailing wage — HB 724
Property tax
  aircraft, vessels, and housetrailers in storage — HB 539
  alternative study — HR 139
  appeals, time period for — HB 93
  assessment appeal explanation — HB 171
  assessment of omitted property — HB 342
  cable TV equipment — HB 569
  calendar changes — HB 146
  collection, cities of 1st — HB 83
  definition of new property — HB 872
  delinquencies, interest and penalties — HB 80
  discount and penalty dates — HB 96
  exempt from equipment inventories — HB 197
  homestead exemption — HB 241
  in cities — SB 19
  installment payment, study of — HCR 44
  liens enforceable by tax warrant — SB 265

TAXATION (Cont'd)
  mapping project, personnel for — SB 258
  multiple billings — HB 825
  on motor vehicles — SB 44
  overpayment, refunds following — SB 287
  state tax rate reduction on distilled spirits — HB 972
Property valuation administrators
  education program — HB 129
  to be state employes — HB 115
Race tracks, pari-mutuel handle — HB 478
Real estate transfer tax exemption — HB 422
Sales tax
  corporate officers' liability — HB 174
  earmarking for State Tax Revenue Sharing Fund — HB 908
  exemptions — HB 7, 75, 170, 186, 194, 196, 542, 795, 829
  records retention time period extension — HB 687
School building fund tax levies, purposes of — HB 628
School district tax sources, study of — HR 5
Severance tax
  on natural resources — HB 968
  records — HB 688
Sheriff's tax proceeds, investment of — HB 545
Solar energy systems, property tax on — HB 184
Taxicab fuel tax exemptions — HB 773
Teachers retirement paid by other states, tax exemption of — HB 101
Technical amendments to 1979 Special Session HB 44 Property Taxation Bill — HB 161
Transient room tax for Arts Center — HB 858
Transit authorities, occupational license fee exemption — HB 682
Utility gross receipts
  license tax for schools, senior citizens exemption — HB 195
  tax rate limit — HB 210

TEACHERS
Abuse of teacher, penalty — HB 677
Annual leave — HB 218
Attendance recording for extended school days — HB 151
Collective bargaining authorization — HB 551
Emergency medical treatment by, civil liability — SB 60
Exceptional children, teachers of — HJR 43
Federal tax on retired teachers annuities, exclusion of — HCR 80
Felony charge, suspension for — HB 946
Pay date schedules — HB 469
Prayer, provision for voluntary — HB 37
Retirement
  allowances from other states, tax exemption — HB 101
  cost-of-living benefits — HB 225, 378
  omnibus revisions — HB 766
  sick leave service credit — HB 285
  system administration — SB 108
Salary schedule, basis for — HB 550
School board membership — HB 605
Sick leave, retirement credit for — SB 72; HB 257
Substitute teachers
  pay reimbursement by state for — HB 524
  retired teachers as — HB 436
University teachers retirement contributions — SB 27; HB 152
Vocational or deaf or blind teachers, starting salaries for — SB 299
Vocational, salary schedule for — HB 133

TEXTBOOKS
Free books for state accredited school pupils — HB 925

THOMAS, SAM
HR 43, 82, 98, 144; HB 13, 32, 53, 74, 91, 104, 119, 130, 143, 154, 177, 186, 197, 222, 231, 317, 332, 364, 374, 382, 391, 393, 395, 431, 432, 442, 444, 458, 472, 525, 552, 568, 616, 651, 653, 663, 677, 690, 717, 755, 801, 811, 822, 838, 857, 881, 932, 942, 953, 958, 959, 962, 969, 970, 972
Voting modifications — HB 141Y, p. 1151

THOMASON, DAVID H.
HR 41, 83, 94; HB 118, 122, 123, 258, 284, 382, 402, 419, 458, 508, 717, 726, 727, 776, 832, 837, 911

TIME
Daylight saving time — HB 938; HCR 103

TOBACCO
Cigarette sales, presumed costs — HB 674
Rural and municipal aid program study — HCR 106
Seed certification — HB 472

TOBIN, MARY ANN
HR 19, 41, 89; HB 211, 255, 339, 357, 370, 378, 418, 833, 834, 838, 911

TOURISM
Appalachia tourism development fund, created — HB 756
Big South Fork Park, opening of — HCR 67
Blue Licks State Park, bicentenial program — HJR 21
Kentucky promotion, task force — HJR 97
Recreational boating, weekend restrictions — HR 113
State Zoo, Louisville Zoo as — SB 134
Tourist and convention commission, terms of office — HB 282
Transient room tax for Arts Center — HB 858

TRADE PRACTICES AND RETAILING
Automobiles, new, merchantability warranty — HB 365
Brewers, affirmation of corporate pricing policy — HB 801
Cigarette sales, presumed costs — HB 674
Consumer product safety — HB 782
Dealer in gold, silver, platinum, records of transactions — HB 892

TRAFFIC SAFETY
Bumpers, height and presence of — HB 281
Citations issued to operators of commerical vehicles — HB 66
Driver improvement program — SB 148
Driving in the left lane — HB 165
Driving while intoxicated — HB 497, 500
Emergency vehicles, warning requirements — HB 767
Lighted lamps, when required — HB 35
Mopeds, definition of — HB 881
Operators license, prohibit persons using compound lens systems — SB 135
Public safety vehicles, include vehicles of civilian safety organizations — HB 880
Trucks susceptible to spillage, cover requirement — HB 372

TRANSPORTATION
Airports, omnibus revision — HB 821
Air service program establishment — HB 582
Appalachian regional transportation plan — HR 6
Big South Fork Park, opening of — HCR 67
Bureau of highways, purchase of equipment parts — SB 65
Bus companies, motor fuel tax exemption — HB 780
Coal
  impact road fund appropriations — HB 917
  transportation, study of hindrances — HR 120

TRANSPORTATION (Cont'd)
Driving record abstracts, limitation to three-year period – HB 103
Economic development roads, creation of – HB 969
Equipment purchase contracts, noncompliance – HB 148
Establish state primary and secondary road system – HB 212
Farm trucks, registration of and exemptions for HB 382
Federal motor fuels tax increment, allocation of – HCR 26
Grade crossings, study of – HR 52
Hazardous materials – HB 863
Hazardous waste transport – HB 112
Highway maintenance contracts, completion priority – HB 46
Mass transit
  authorities, transportation of state employes – SB 327
  definition – HB 706
  programs for handicapped – HB 781
Mississippi River Parkway Commission created – HB 846
Motor carrier regulation exemptions – HB 583
Motor fuels use license, farm commodity haulers' exemption – HB 198
Motor vehicle registration plates to remain with owner – HB 537
Nuclear materials, permit required for – HB 113
Overdimensional permits for transportation of heavy equipment – HB 581
Railroad Commission and Department of Transportation responsibilities, study of – HCR 105
Railroad safety inspection program – HB 444
Railroads, attachment of a caboose – HB 367
Rural and municipal roads
  aid program study – HCR 106
  division of – HB 757
Signs on highways – HB 760
Soil conservation equipment haulers – SB 6
Special energy road fund, creation of – HB 854
Transit authorities
  expand service area, subsidize added programs – HB 299
  occupational license fee exemption – HB 682

TREASURER
Electronic funds transfer – HB 310
Office of, combination with Secretary of State – HB 945

TURNER, RICHARD
HR 41, 50, 64, 77, 144; HB 116, 125, 187, 219, 265, 364, 378, 383, 388, 440, 445, 474, 492, 532, 605, 705, 717, 766, 768, 838, 908

UNEMPLOYMENT COMPENSATION
Benefits, qualification for – HB 483
Covered employment – HB 827
Omnibus revision – HB 864
Rate schedule correction – HB 612

UNIFORM LAWS
Child custody jurisdiction act – SB 42; HB 92
Commerical code, implied warranty exemption SB 29
Comparative fault act – HB 617
Juveniles, uniform code for – SB 309
Landlord-tenant, uniform act application – HB 398, 504
Uniform Commerical Code-amendments to Article 9 – HB 673

UNITED STATES
1980 United States Olympic Hockey Team – HR 77
Balanced budget
  amendment request – HCR 51
  constitutional amendment or convention – SCR 9; HR 7

UNITED STATES (Cont'd)
Bankruptcy, prohibit election of federal exemptions – SB 31; HB 153
Camp Breckinridge, compensation of landowners, urge support for – HR 83
Canadian government, resolution to express gratitude – HR 41
Child care food program, urge support for – SCR 43
Civil rights act, conformity with federal act – SB 79
Constitutional Amendments federal funds, allocation to states – HR 1
Daylight saving time, petition for change – HCR 103
Douglas, Justice William O., resolution honoring – HR 32
Drafting women, prohibition request – HR 62
Federal tax on retired teachers annuities, exclusion of – HCR 80
Flag, pledge of allegiance requirement – HB 32
Kahn, Alfred, invitation to address General Assembly – HR 54
Mail, registered or certified, use of by state agencies – SB 11
Nuclear waste site decommissioning – HCR 57
Olympics boycott support – HR 49
President Carter, a resolution supporting – HR 38
Rehabilitation acts, state's compliance with – SB 275
Revenue sharing, urge Congress to reenact – HR 91
Surface mining act, injunctive relief – HR 30
TVA electricity rates – HR 125

UNIVERSITIES AND COLLEGES
Archaeology, creating office of state – HB 275
Council on Higher Education, membership – SB 57
EKU football commendation – HR 31
Employes' retirement credit purchase – SB 242; HB 771
Faculty
  tenure, study of procedures for granting – HJR 98
  test verbal skills of – HB 897
Higher Education Assistance Authority – SB 195
Jefferson Community College Southwest, completion of – HB 510
Kentucky retirement systems, service credit for university employment – HB 805
Medical residency
  free-standing – HB 139
  positions – HB 150
Medical school deans, gubernatorial disability dertermination – HB 145
Murray State and Western Kentucky Universities, OVA Champions – HR 85
Murray State University football team, honoring – HR 36
Professional Schools, enrollment allocation – HB 136
Proprietary education – HB 808
Regional universities, boards of regents, staff person's membership – SB 57; HB 333
Retirement system contributions – SB 27; HB 152
Sovereign immunity of U.K. medical center, waiver of – HB 849
Student loans, provision of bonds for – SB 201
Student records, defunct schools, maintenance of – HB 48
U of L trustees, staff senate membership – SB 57; HB 412
University of Kentucky board of trustees, membership – SB 57; HB 118
University of Louisville Basketball Cardinals – HR 76

URBAN RENEWAL
Tax increment financing – HB 912

VAN HORN, DAVID
HR 26, 41, 43, 45, 51, 64, 77, 96, 127, 144, 145, 153; HB 39, 74, 90, 125, 187, 265, 297, 298, 307, 318, 321, 349, 367, 374, 375, 376, 377, 388, 420, 421, 422, 424, 437, 440, 444, 447, 461, 488, 509, 533, 549, 554, 557, 567, 587, 595, 626, 632, 689, 717, 731, 744, 789, 792, 793, 802, 803, 827, 831, 849, 949, 950
Voting modifications – HB 265Y, p. 2831; HB 887Y, p. 1690

VETERANS AFFAIRS
Motor vehicle operators' license for Vietnam veterans – HB 447
Motor vehicle registration for former P.O.W.'s – SB 4
State employment, preference points – SB 293
Veterans' affairs, center for – SB 56
Viet Nam veterans' bonus – HB 74

VETERINARIANS
Compensation by Board of Agriculture – HB 380

VOTING
Absentee, procedures for – HB 140, 379, 394
Annexation ordinance, referendum required – HB 67
Ballots, officers to return to county clerk – HB 26
Candidate, ballot identification by name only – HB 350
City manager government, write-in voting – HB 324
Disabled voters, manner of voting – HB 348
Electronic voting machines – SB 225
Handicapped voters' access – SB 150
"Honest election committee" members; entry into voting room – HB 294
Independent registrants, party designation in primary election – HB 314
Officers of election, relation to candidate; mileage allowance – HB 523
Party affiliation to be stated at polls – HB 76
Polls, accessibility – HB 353
Precinct
  boundaries – HB 27
  election cost, state share increment – HB 345
  officers, minimum pay increment – HB 742
Presidential primary
  delegate vote distribution – HB 438
  preference date – HB 176
Primary election date change – HB 270, 295
Primary, voting after party affilication change – HB 311
Referendum, notice of text of question – HB 916
Registration in schools – HB 24
Special election, General Assembly or Congress – HB 425
Voter registration
  card, elimination – HB 428
  card, issuance of – SB 33
  citizenship verification – HB 670
  verification of right – SB 186
Voting machine inspection notice – HB 352

WAGES AND HOURS
Court appearances by employes – HB 645
Definition concerning – HB 836, 924
Gratuities added to billing, payment to employes – HB 377
Lunch period definition – HB 637
Minors, employment of – HB 923
Overtime compensation provisions, exemptions – HB 337
Prevailing wage
  exemption in cities 4th-6th – HB 222
  localities alignment – HR 111
  localities and hearings – HB 629
  on public works – HB 739
  school district construction, law – SB 252
  study – HR 146
Rest periods requirement – HB 638

WAGES AND HOURS (Cont'd)
Severance tax, refund for small operators – HB 220
Sex discrimination prohibition – SB 14
Strikebreakers, prohibit hiring – HB 509
Tipped employes, definition of – HB 640
Wage deduction statements – HB 646
Wages of separated employes, payment of – HB 639

WASTE DISPOSAL
Garbage feeding to animals prohibited – HB 327
Hazardous substances, spills and abandoned sites, financing of – SB 266
Hazardous waste
  facilities, siting incentives – HB 703
  facilities, state owned – HB 701
  managment, penalties – HB 702
  management, policy and standards – SB 267
  transportation of – HB 112
Junkyard statutes, unconstitutional, re-enactment of – SB 332
Littering, criminal evidence – HB 231
Nuclear waste site decommissioning – HCR 57
Regulations on waste, repeal restrictions on – SB 268
Sewer systems, jurisdiction of state agencies for – HB 768
Solid waste management – SJR 48; SB 308, 333
Statutes, study of – HCR 81

WATERWAYS AND DAMS
Flood plain management, public information, program for – HB 481
Locking on Kentucky River – HR 153
Safety inspectors of dams – HB 559
Water resources, administrative hearings on – SB 213
Water Resources Authority study – HR 108

WATERWORKS
Drinking water, protection from underground injection – HB 560
Milk houses and parlors, plumbing code exemption – HB 964
Water districts, boards of – HB 329
Waterworks, construction standards, cities if 1st – HB 381

WEINBERG, BILL
HR 20, 23, 42, 84, 87; HB 2, 17, 29, 54, 111, 136, 137, 139, 143, 144, 147, 150, 166, 176, 177, 178, 212, 269, 326, 328, 351, 420, 458, 686, 764, 797, 854, 891, 970
Democratic State Central Committee appointment – p. 2916

WELFARE
Abortions, prohibit aid for – HB 125
Adults, protection of – HB 779
Child care food program, urge support for – SCR 43
Community work experience program exemption – HJR 74
Dentures, medical assistance notification regarding – HB 214, 215
Energy cost assistance
  appropriation – HB 180
  investigation – HCR 16
  program response – HCR 47
  programs, expression of displeasure concerning – HR 68
  repeal of – HB 666
  study – HR 115
Integrated casework model study – SJR 51; HJR 92
Medicaid payments to optometrists – HB 538
Medical assistance
  coordination of benefits – SB 205
  physician participation – HCR 22

WELFARE (Cont'd)
Physicians, equal payments for medical assistance – SB 53; HB 338
Public assistance recipients, work for – HB 792
Public health departments, medicaid reimbursement – HB 777

WHITE, JIMMY
HR 30; HB 20, 66, 68, 125, 137, 139, 187, 219, 244, 260, 305, 306, 347, 349, 374, 489, 524, 587, 717, 770, 771, 899, 948
Voting modifications – HB 968N, p. 2855

WILBORN, W. STEPHEN
HR 3, 31, 40, 41, 129, 151, 153; HB 48, 51, 138, 283, 321, 391, 410, 433, 514, 627, 680, 717, 747, 808, 891, 910, 930

WILLIAMS, AUBREY
HR 41, 45, 58, 66, 130, 144; HB 24, 162, 163, 164, 165, 166, 249, 252, 265, 299, 341, 348, 349, 388, 412, 424, 457, 496, 510, 593, 618, 659, 717, 859, 873, 875, 908, 935, 965, 966

WILLS AND ESTATES
Fiduciaries, investments authorized – SB 302; HB 790
Illegitimate children, inheritance by and from – SB 251
Inheritance tax exemptions – HB 116, 300
Omnibus bill – SB 249
Revocation of will by divorce, exception – HB 813
Settlement
  by fiduciary – SB 204
  exempt as law practice without license – HB 667
Survivorship, right to entirety not to be defeated by – HB 94

WITHDRAWN LEGISLATION
HB 55, 56, 77, 156, 181, 185, 201, 372, 551, 534, 602, 634, 971

WITNESSES
Failure to appear before state auditor, fine – HB 580
Self-incrimination, prohibition, immunity from prosecution when compelled to testify – HB 660

WOMEN
Abortion
  after first trimester, hospital performance – HB 315
  county regulation of – HB 277
  injuries, limitation of actions – HB 933
  performance of – HB 90, 364
  procedures, omnibus revision – HB 927
  prohibit aid for – HB 125
Abused, shelter facilities – HB 45
Drafting women, prohibition request – HR 62
Pregnancy, discrimination by employers – HB 520
Victims of sex crimes, prohibit name publication – SB 177
Wages, sex discrimination prohibition – SB 14

WORKMEN'S COMPENSATION
Audits of employer's classifications – HB 334
Injury records, penalty for violation – HB 636
Insurance companies, reports of – HB 21
Insurance provider, creation of – HB 349
Insurance rating systems, experience effect – HB 278
Kentucky insurance regulatory board membership – HB 335
Kentucky's Workmen's Compensation Insurance Provider – HB 950
Omnibus revision – HB 532, 623
Self-insured employers, maintenance fund and special fund assessments – HB 689

WORKMEN'S COMPENSATION (Cont'd)
Special fund contributions for self-insured – HB 705
Study resolution – HJR 24
"Workmen's" to "Workers'" – SB 15

WORTHINGTON, PETE
HR 4, 21, 57, 77; HB 98, 137, 139, 188, 189, 219, 245, 301, 308, 309, 343, 458, 502, 515, 516, 517, 624, 804, 838, 891, 917, 919, 939, 962, 970
Voting modifications – HB 306Y, p. 1142; HB 734Y, p. 1917; SB 41N, p. 1916

WRIGHT, DEXTER S.
HR 16, 38, 41, 43, 50, 60, 66, 68, 75, 76, 77, 90, 130, 131, 140, 144; HB 19, 32, 43, 65, 125, 187, 196, 200, 224, 240, 265, 277, 315, 348, 364, 388, 412, 510, 529, 599, 605, 618, 666, 667, 792, 838, 898, 903, 908

YATES, JAMES BERNARD
HR 14, 38, 47, 130, 131, 140, 144; HB 4, 15, 32, 58, 74, 90, 109, 125, 158, 219, 240, 277, 299, 315, 317, 319, 341, 348, 349, 358, 359, 360, 361, 362, 364, 366, 388, 393, 501, 510, 538, 541, 548, 549, 585, 620, 767, 785, 831, 859, 875, 898, 908, 927, 955